

DAILY REPORT

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STUDENTS PROTEST AGAINST NAKASONE ATTENDING GAMES

HK190918 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 2315 GMT 17 Sep 86

[Report: "South Korean Students Protest Against Nakasone Attending the Opening Ceremony of the Asian Games"]

[Text] Seoul, 17 Sep (Hong Kong ZHONGGUO TONGXUN SHE) -- Five South Korean students with sharp knives in their hands rushed into the office of the Director of the Japanese Cultural Center in Seoul at noon today to protest against the intended attendance of Japanese Prime Minister Nakasone at the opening ceremony of the Asian Games. The director of the center happened to be out for lunch. A guest at the center fled at once and no injury or death was reported. The five students were arrested by the police on the spot.

Although three opposition parties made a joint appeal on 13 September calling on the students to stop activities against the authorities during the period of the Asian Games, student activities have been reported from time to time. After dark yesterday, the police searched at the same time 18 colleges in Seoul and 2 in Kwangju. Officials of 91 colleges in various localities also searched their respective colleges. Gasoline bombs, cudgels, and antigovernment leaflets were confiscated. After a 3 hour search in Seoul's Yon Se University, 60 molotov cocktails, 24 wooden clubs, 3 antigovernment placards, and 80 antigovernment leaflets were found. This action is regarded as a measure to prevent the students from holding antigovernment demonstrations after the Asian Games are opened.

Yesterday, some students threw incendiary bombs into policemen's pavilions and seriously wounded four antiriot policemen. The educational authorities have today ordered two colleges in Seoul to suspend classes, increasing to five the number of colleges whose classes have been suspended. Today, people can see that the atmosphere on college campuses and outside them is tense with numerous policemen there.

John Norden, an official of the California police who were also responsible for the security work of the 1984 Los Angeles Games, arrived in Seoul before the blast at Kimpo Airport. Because of the bomb case, he has postponed his return to the United States. He said that the professional level of the police of Seoul is very high and that despite the occurrence of the bomb case, the security work there has been better than that of the Olympic Games in Los Angeles.

XINHUA ANALYZES PLANS FOR SHEVARNADZE-SHULTZ MEETING

OW172211 Beijing XINHUA Domestic Service in Chinese 1619 GMT 17 Sep 86

[Text] Moscow, 17 Sep (XINHUA) -- News Analysis: A Rough Road Ahead for Soviet, U.S. Foreign Ministers

[By] XINHUA reporter Shen Yiming:

The rustling autumn wind has already driven away the summer heat on the streets in Moscow; however, the tense and heated diplomacy between Moscow and Washington remains. After more than 6 months of hard work, the meeting between the Soviet and the U.S. foreign ministers will soon be held in Washington. As the bell will soon toll for this preparatory meeting for the proposed Soviet-U.S. summit, people have shown keen interest in whether it will clear the way for a summit.

Soviet Foreign Minister Shevardnadze has already arrived in New York to attend the 41st UN General Assembly. On 19 September he will rush to Washington, where he is scheduled to meet U.S. Secretary of State Shultz.

The meeting between the Soviet and U.S. foreign ministers was originally to be held in Mid-May this year, but the U.S. air raid on Libya last April evoked strong reactions from the Soviet Union, which immediately announced the cancellation of the foreign ministers' meeting. Since then the Soviet leaders have repeatedly expressed a willingness to hold another summit meeting, and this willingness is shared by the American side. Therefore, it was decided that the foreign ministers of the two countries would meet in Washington on 19 and 20 September to discuss issues on which the two sides might reach agreement. However, on 23 August Washington suddenly arrested Zakharov, member of the Soviet UN mission, on a charge of "espionage activities." Then, on 30 August, Moscow detained Daniloff, reporter for the U.S. NEWS AND WORLD REPORT stationed in Moscow, on the same charge. The "spy incidents" intensified the atmosphere on the eve of the foreign ministers' meeting. Washington even threatened to take retaliatory measures, including cancellation of the foreign ministers' meeting if Daniloff was not set free. In a haste to reduce the heat, Moscow declared that the Daniloff case was merely a "secondary matter in general" in Soviet-American relations. It released Daniloff to the custody of the U.S. Embassy in Moscow. Hence, the atmosphere was somewhat relaxed, enabling the foreign ministers' meeting to take place on time.

Moscow regards the upcoming foreign ministers' meeting as an "important event," because through this contact it expects to explore the possibilities for the continuation of Soviet-U.S. summits. In other words, Moscow hopes that at this meeting it will be able to find out the extent to which agreements can be reached with Washington on such issues as arms control and regional disputes, thereby paving the way for a summit.

The prepare for the foreign ministers' meeting, Soviet and U.S. officials and experts have held frequent talks and consultations over the last 2 months. In late July Soviet and American officials held talks in Geneva on the SALT treaty and the issue of nuclear tests. Since August experts from the two countries have shuttled between Moscow and Washington to discuss arms control. At the same time Soviet and U.S. diplomats also held talks on issues of reducing the threat of nuclear war, solving regional disputes, and banning chemical weapons, as well as on bilateral exchange plans. What practical results have been achieved in this series of diplomatic shuttles and consultations, no outsider knows. But Moscow has declared that the two sides "have not moved even an inch closer" on the disarmament issue.

In a press interview 10 days before the foreign ministers' meeting Soviet leader Gorbachev made it clear to Washington that another Soviet-U.S. summit will be meaningless unless it allows some movement in one or two major issues regarding international security.

What did he mean by "one or two major issues regarding international security?" In a television speech on 18 August Gorbachev clearly indicated that at the Soviet-U.S. summit Moscow hopes to first reach an agreement on a nuclear test ban as the "primary practical results of the summit and an important step on the road toward disarmament."

Thus, it appears that the disarmament issue will be the central topic of the foreign ministers' meeting, and the discussions on the issue are inseparable with such concrete questions as a nuclear test ban and reductions in nuclear weapons.

Moscow regards a nuclear test ban as "the most important and pressing issue of our times," because Moscow has set its mind on aborting the vital component of the U.S. "star wars" plan, that is, nuclear tests for improving space laser weapons. Stopping nuclear tests is tantamount to "throwing up a formidable obstacle to the U.S. 'star wars' plan." Of course, Washington is clearly aware that without continuing nuclear tests it is impossible to develop a new generation of indispensable nuclear weapons for the "star wars" plan and thus gain military supremacy.

As for the issue of reducing nuclear arms, Moscow will also make no concession to its opponent on the "star wars" plan. The Soviet Union has somewhat lowered its guard on the U.S. "star wars" plan because research and experiments for this will be confined to the laboratory; however, the United States has indicated that although the timetable for deploying the "star wars" system may be postponed, Washington's determination to execute the plan remains unchanged. Therefore, the two countries have not made any concession at all on substantial issues.

In these circumstances it is still uncertain whether or not the date and agenda for a future summit will be set at the foreign ministers' meeting. Due to their own needs, the two countries have repeatedly expressed willingness to hold another summit. Observers here believe that at the meeting, the two countries are likely to make some concessions on issues regarding European security and disarmament and achieve some progress on bilateral exchanges in the fields of science and culture so as to pave the way for the proposed summit. A spokesman for the Soviet Foreign Ministry announced at a press conference yesterday that Shevardnadze will have "important meetings" in Washington other than the talks with Shultz, indicating that he is likely to meet with U.S. President Reagan. Whatever the results of his meetings, Soviet-U.S. relations may not develop smoothly or without twists and turns.

RENMIN RIBAO VIEWS U.S.-USSR NUCLEAR DIFFERENCES

HK180907 Beijing RENMIN RIBAO in Chinese 18 Sep 86 p 6

["Roundup" by Fang Min: "Problems Facing the Sixth Round of U.S.-Soviet Nuclear Talks"]

[Text] The sixth round of U.S.-Soviet talks on nuclear and space weapons is about to open in Geneva. This will be the third round to be held this year. Although the date for the talks was fixed some time ago, judging by the current state of U.S.-Soviet relations, this will be an important and also an extremely difficult round.

U.S.-Soviet relations are currently in a state of alternating relaxation and tension and dialogue and struggle. Officials of the two sides have held frequent meetings recently for the purpose of preparing for their forthcoming foreign ministerial meeting and also to pave the way for their second summit meeting. During these consultations, arms control has become an outstanding topic. It has been evident that the United States and the Soviet Union have changed their methods of handling the disarmament problem this year; the disarmament proposals put forward by the two sides show certain concessions in a bid to reach some kind of compromise. However, the two sides have not yet made much progress, and disputes continue on certain issues. Reviewing the several trials of strength staged by the United States and the Soviet Union over disarmament in the previous period, we find that these disputes are mainly manifest on the following issues: how to deal with strategic defense systems; whether or not to continue adhering to the SALT II treaty which both sides have signed but have not yet ratified; whether or not to jointly ban nuclear tests; and how to reduce the nuclear arsenals of the two sides, and so on. [paragraph continues]

Hence, despite the fact that prior to this round of talks experts from both countries (apparently all of these are participants in the Geneva talks) have held repeated consultations, they have not been able to narrow the differences, and the positions of the two sides remain far apart.

Judging by the contents of letters exchanged between the U.S. and Soviet leaders, the new Soviet disarmament proposal put forward in June, and the counterproposals being drafted by the United States, the atmosphere for the sixth round of nuclear disarmament talks is far from relaxed. First of all, space weapons remain the crux of the dispute between the two sides. Although the Soviet Union recently showed itself a bit more flexible regarding the U.S. strategic defense scheme (that is, the "star wars scheme"), by declaring that the United States can work in the "star wars" field at the level of laboratory research, and refrained from demanding again that the United States totally abandon research for this scheme, while the United States for its part said that deployment of the defense system could be postponed, the dispute between the two sides over this point has by no means died down. The Soviet Union continues to maintain that the U.S. aim in pursuing the "star wars" scheme is to gain nuclear superiority, and hence it has demanded that the United States not withdraw from the "antimissile missile limitation treaty" for at least 15 years, in a bid to limit U.S. moves and make it impossible for the United States to develop space weapons during this period. However, the United States has emphasized that it hopes to build a still more secure foundation for deterrence by means of developing the defense system; it has decided to continue to carry out the scheme and is not willing to be bound by the Soviet demand. It is evident that this argument is in essence a struggle between limitation and opposition to limitation.

Second, there are still considerable differences between the disarmament plans of the two sides. The Soviet nuclear disarmament proposal put forward in June showed some changes compared with the one put forward in January. Regarding the scope of reduction of strategic nuclear weapons, the Soviet Union is now only mentioning "three in one" strategic weapons (that is, intercontinental ballistic missiles, submarine missiles, and long-range bombers), and does not count U.S. weapons deployed in Europe, which are capable of hitting the Soviet Union, as strategic weapons. This accords with U.S. thinking. Regarding the range of reduction, the Soviet Union's new plan has lowered the number of weapons to be reduced, that is, it limits the number of strategic weapons that the 2 sides can possess to 1,600 and warheads to 8,000. According to reports, the new plan now being drafted by the United States also proposed some relaxations regarding limits, to narrow the differences between this plan and the Soviet plan. This means that although there are differences in the reduction limits proposed by the two new plans, these differences could not be considered too great. However, the main difference is over how to implement this reduction limit. It is precisely on this point that the two sides have very different visions. The United States stresses that the great threat comes from ballistic missiles, especially land-based intercontinental ballistic missiles, and so it wants to restrict as far as possible the number of such missiles and their warheads, in which the Soviet Union holds superiority. Contrary to the United States, the Soviet Union stresses putting into effect an "equal level" reduction of strategic weapons of all categories possessed by the two sides, so that it will be able to have as many land-based missiles and their warheads as possible while restricting submarine and cruise missiles, in which the United States enjoys superiority. As for medium-range ballistic missiles, the difference between the two sides is over Soviet missiles of this type deployed in Asia. [paragraph continues]

The Soviet Union has proposed freezing the number of medium-range ballistic missiles in Asia at the current level, neither increasing nor reducing it, whereas the United States proposes that the missiles in Asia should be included in the reduction, to facilitate the ultimate elimination of all medium-range ballistic missiles. In addition, the nuclear test issue remains an obstacle in the talks. Although this issue is not on the agenda for this round of talks, it has also been a point in dispute between the two sides and has affected U.S.-Soviet progress in arms control. Over the past year or more, the Soviet Union has repeatedly demanded that the two sides jointly ban nuclear testing, and the two sides recently held a meeting of experts on this topic. Each side had their say, and the meeting broke up in discord. The Soviet Union charged that the United States would not halt its nuclear tests because it wanted to continue improving its nuclear weapons and to test "star wars" laser weapons, in a bid to gain nuclear superiority; and the United States for its part said that the Soviet Union has carried out most of the nuclear tests it needs, and it was unacceptable to conversely bind the United States. It seems that disputes like this will be hard to avoid in the talks.

U.S.-Soviet differences over nuclear disarmament have existed for a long time, hence, no matter what the two sides may say, fierce bargaining will permeate this round of talks. The Geneva talks represent a formal occasion in the talks between the United States and the Soviet Union, and what happens there will not only have a direct impact on U.S.-Soviet relations and a second U.S.-Soviet summit, but will also become the focus of world attention, because of the global impact. The Soviet Union has repeatedly declared that a summit meeting "should produce practical results," and it insists that "concrete progress" must be made in arms control talks before such a summit. Although the United States, for its part, has urged the Soviet Union to set a date for the second summit this year, and recently specifically proposed that the meeting would best be held between the mid-term U.S. elections on 4 November and Christmas, the Soviet Union has yet to make its attitude explicit. These conditions show that it remains hard to ascertain whether the two sides will be able to reach a compromise in the near future regarding the knotty problems facing this round of talks, so as to reach some kinds of limited agreement.

RENMIN RIBAO ON STEALTH AIRCRAFT, 'SPACE MINES'

HK181348 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 17 Sep 86 p 6

[Article by Liu Ban: "Stealth Aircraft, Outer Space Mines, and Others"]

[Text] It has recently been reported in newspapers that the United States and the Soviet Union have respectively developed "stealth aircraft" and "outer space mines." This marks from another angle an upgrading of the scramble between the United States and the Soviet Union for strategic superiority.

The "stealth aircraft" is made of new-type compound materials in a special shape. it can absorb radar waves and evade discovery by infrared detectors and is therefore "invisible." According to the United States, 50 of these planes are already "war usable." A U.S. strategist said triumphantly: This airplane will "surely put the Soviets in a panic because it can make useless the air defense system that has cost them hundreds of billions of roubles to establish."

Since President Reagan's announcement on the "strategic defense initiative," in other words, the "space war" scheme, the Soviet Union has always thought about how to break it up. Not long ago, a Soviet nuclear scientist, who is said to be a member of the "Struggle for Peace Committee," declared that the Soviet Union would deploy "outer space mines," which would "dash directly against satellites in orbit" or "explode to destroy communications satellites in orbit." In short, this is aimed at "turning into scraps the U.S. space war plan, which cost the United States lots of money."

Both weapons are aimed at destroying the defense system that the other side has spent huge sums of money to establish. But there is a little difference in their methods. Some U.S. strategists hold that over the past few years, as strategic defense systems have continued to improve, the "first strike" has become difficult to achieve; therefore, it is necessary to focus on developing a new offensive "nuclear spear" to break the other side's "nuclear shield". "Stealth aircraft" are children of this idea. The Soviet Union, however, focuses on the "economic results" and thinks that the "system to counter anti-missile systems" is the greatest saving and most effective. Therefore, they reached the idea of "outer space mines."

In the final analysis, the arms race is a race of national strength. Although Soviet national strength is inferior to the that of the United States, it will not allow the United States to get the least superiority in the arms race. Soviet scientists have time and again stressed that it is possible to find "much cheaper" "countermeasures" to fight the "space war" plan. This shows that Soviet determination to compete with the United States cannot be swerved. A U.S. strategic analyst says even more frankly in his recently published book: "The United States and the Soviet Union have both found that if they do not try every means to maintain a certain degree of balance of strength with each other, they will not be able to achieve their goal." Therefore, people will certainly be surprised when other kinds of new weapons emerge one after another after the emergence of the "stealth aircraft" and the "outer space mine."

WU XUEQIAN MEETS TANZANIAN, ZAMBIAN MINISTERS AT UN

OW181248 Beijing XINHUA in English 1223 GMT 18 Sep 86

[Text] United Nations, September 17 (XINHUA) -- While continuing to provide aid to African countries within its capability, China is also looking forward to exploring new methods of economic and technological cooperation and new forms of aid including joint ventures with African countries, Chinese Foreign Minister Wu Xueqian stated here today. Wu, who is also a Chinese state councillor, outlined the Chinese position during meetings with Tanzanian Foreign Minister Benjamin Mkapa and Zambian Foreign Minister Luke Mwananshiku at the United Nations headquarters.

It is China's consistent policy to stand by the African countries in their struggles against the South African racist regime and its apartheid policy, Wu said, adding that with the development of its domestic economic reforms, China will give enhanced assistance to other countries, especially African countries.

Foreign Minister Mkapa expressed his satisfaction with the development of Sino-Tanzania relations and the cooperation between the two countries in various areas.

Mkapa pointed out that China's assistance to Tanzania and other African countries benefits not only the economic development of the African countries but also their political independence. He thanked China for extending political support to the African Frontline States in their struggles against the South African racist regime.

The Chinese foreign minister also briefed Mkapa on the situation in Kampuchea and on China's position on the Kampuchean issue.

Mkapa said that the eight-point proposal put forward by the Kampuchean Coalition Government "has provided a positive basis and new momentum" for the settlement of the Kampuchean question.

The situation in southern Africa was also a major topic in the talks between Wu and Zambian Foreign Minister Luke Mwananshiku here this afternoon. Subversion and expansion by South Africa into its neighbouring states have put the security of these countries at stake, said Mwananshiku, pointing out that the economic development, especially of the export industry in these countries, are seriously damaged by anti-government forces which, supported by South Africa and some Western countries, cut off transportation lines by destroying roads and bridges.

Wu affirmed that China is strongly opposed to South Africa's so-called "linkage formula" which attempts to link the independence of Namibia with the withdrawal of Cuban troops from Angola. China will stand firm in supporting the peoples of South Africa to fight against apartheid, said Wu, hoping that the Frontline States will strengthen their unity. Wu also exchanged views with his two African counterparts on the major issues facing the current U.N. General Assembly session.

Perez de Cuellar Fetes Wu

OW190738 Beijing XINHUA in English 0731 GMT 19 Sep 86

[Text] United Nations, September 18 (XINHUA) -- United Nations Secretary-General Javier Perez de Cuellar said today that Hanoi must be urged to present a definite timetable for the withdrawal of Vietnamese troops from Kampuchea.

At a luncheon he held in honor of the Chinese Foreign Minister Wu Xueqian, the secretary-general said that as Vietnam has agreed only to conditional troop withdrawal, further steps must be taken.

Wu called Western press reports about China's sale of arms to Iran a groundless fabrication. "China's position on the war between Iran and Iraq is consistent," he said. "We hope that Iran and Iraq will find an early settlement through negotiations on terms acceptable to both sides." Wu said China supported Perez de Cuellar's bid for a second term of office and reinvited him to visit China next year, a trip the U.N. chief put off because of heart surgery early this year. They also discussed the current U.N. financial crisis.

CPSU POLITBURO ASSESSES TALYZIN VISIT TO PRC

OW190705 Beijing XINHUA in English 0656 GMT 19 Sep 86

["Soviet Politburo To Further Sino-Soviet Relation" -- XINHUA headline]

[Text] Moscow, September 18 (XINHUA) -- The increasing contacts between the Soviet Union and China have contributed to bilateral cooperation in various spheres, the Soviet Politburo said today.

TASS reported that in a regular meeting to assess the recent visit to China by First Vice-Premier Nikolay Talyzin, the Politburo said the Soviet Union will explore new and effective ways to strengthen this mutually beneficial cooperation.

The Politburo also promised to do all it can to improve and strengthen the "good neighborliness" between the countries as such a relationship will benefit the causes of peace and socialism. Talyzin was in China from September 7 to 14.

WEN WEI PO VIEWS SINO-SOVIET RELATIONS

HK190354 Hong Kong WEN WEI PO in Chinese 19 Sep 86 p 2

[Editorial: "First Solve the Problem of Vietnam's Aggression Against Cambodia"]

[Text] While meeting with Finnish Prime Minister Sorsa on 16 September, Deng Xiaoping, chairman of the Central Advisory Commission of the CPC, said that of the three major obstacles to Sino-Soviet relations to be eliminated, the most important one is to solve the problem of Vietnam's aggression against Cambodia. As is known to all, the other two major obstacles are the massive number of Soviet troops stationed in Mongolia near China's border areas and the Soviet troops' occupation of Afghanistan.

Formerly the three major obstacles were put forward side by side, but at present one of them has been stressed. This shows the flexibility of China's foreign policy toward the Soviet Union. In a certain sense, this is also a substantive reaction to Soviet leader Gorbachev's speech in Vladivostok.

Deng Xiaoping said: "We stress the necessity of solving the problem of Vietnam's aggression against Cambodia because it is, in reality, a hot spot in Sino-Soviet relations." He also said: "If the Soviet Union can eliminate this hot spot, it will be doing good to both itself and Vietnam and making a contribution to peace in the Asian-Pacific region and in the rest of the world." In another interview with a reporter, he also said that if the Soviet Union agrees, he, even though he is 83-years-old and is well advanced in years, would still be willing to make a long and arduous journey to the Soviet Union to meet Gorbachev. For the sake of peace, he will ignore the hardship.

If we calmly and carefully think of what Deng Xiaoping said, we can say that this is not put forward as diplomatic language proceeding from China's interests but is indeed a practical proposal beneficial to the Soviet Union, Vietnam, and Southeast Asia.

Vietnam has cracked itself up as one of the world's military powers and thus can do whatever it pleases. Is this really the reason for Vietnam's aggression against Cambodia? As a matter of fact, if the Hanoi regime were not propped up by the Soviet Union, it would be precarious even within Vietnam, and much less could it act violently abroad. The sufferings of the Vietnamese in recent years are demonstrated by the fact that hundreds of "boat people" have fled by sea risking their lives. However, Le Duan and his like have paid no attention to the welfare of the people. They have wantonly engaged themselves in military aggression, invaded into Cambodia, and peeped at Thailand. Their ambition is irremediable. Had China not resolutely punished their unbridled acts a few years ago, we wonder what the situation in Southeast Asia would have become today. Now Le Duan is dead. If the Soviet Union takes this opportunity to stop Vietnam's aggression against Cambodia, it will save millions upon millions of U.S. dollars for running the war machine which is outwardly strong but inwardly weak. It will improve its image in the eyes of the world's people and will win victories in peaceful and not military fields. Consequently, as far as Vietnam is concerned, it will also be able to consolidate its economy and improve the people's living standard so they will have enough to eat and wear. Through concrete actions, it can also gradually turn itself into a country acceptable to the international community, and to the Southeast Asian countries in particular. All this is greatly beneficial to the two countries, a small one in the south and a big one in the north.

The Sino-Soviet relations, particularly in the economic field, have improved to a certain extent on the basis of the five principles of peaceful coexistence in recent years. If the problem of Vietnam's aggression against Cambodia is solved, and Deng Xiaoping personally visits Moscow for talks, the relations between the two countries will certainly improve and this will be beneficial to the peace in Asia and in the rest of the world.

Compared with the past, the Soviet Union, with Gorbachev as its representative, is indeed changing its previous rigid style of ignoring objective facts and always considering itself to be in the right. Vietnam's aggression against Cambodia was brought about by Moscow's previous leaders. New Soviet leaders should have a correct evaluation of its advantages and disadvantages and solve this problem without restraint. People are waiting for a wise response from Gorbachev, one of the new generation of Soviet politicians.

ACADEMIC DELEGATION RETURNS FROM USSR 15 SEP

OW180812 Beijing in Russian to the USSR 1800 GMT 16 Sep 86

[Text] A delegation of the PRC Institute of Contemporary International Relations headed by (Liu Xueqing), director of the institute, returned home from Moscow on 15 September after a 13-day visit to the Soviet Union at the invitation of the USSR Academy of Sciences' Institute of the United States of America and Canada.

During the visit, the PRC and USSR colleagues exchanged views on topical world economic and political issues. (Liu Xueqing) gave a lecture on PRC foreign policy and economic reform in recent years. The PRC delegation visited Leningrad, Tallinn, and Kiev.

PRC PARTICIPATES IN 10TH ASIAN GAMES

Team Leader Arrives

OW180712 Beijing XINHUA in English 0636 GMT 18 Sep 86

[Text] Seoul, September 18 (XINHUA) -- Yuan Weimin, head of the 515-member Chinese sports delegation to the tenth Asian Games, flew in here this morning with a third group of 136.

Yuan, 47, is generally regarded as the major force behind the Chinese women's volleyball team's efforts to wrest the World Cup crown in 1981 and the World Championships title in 1982 and then successfully retain both in 1985 and 1986 respectively.

Arriving aboard the chartered plane also are the Chinese women's volleyball team who had just returned from the world championship in Czechoslovakia, as well as the Thomas and Ueber Cup winning badminton team, women's basketball team, men's volleyball team, athletes, archers and wrestlers, totalling 104.

The group also includes a 15-member delegation headed by Zhang Baifa from the Organizing Committee of the 11th Asian Games.

They were greeted at the Kimpo Airport by representatives of the Seoul Asian Games Organizing committee.

After going through the airport entry procedures, they drove to the athletes village under heavy security escort.

The fourth and last group of chinese athletes is scheduled to come later this month, after the games competition proper begins.

Official Meets Zhang Baifa

OW181318 Beijing XINHUA in English 1248 GMT 18 Sep 86

[Text] Seoul, September 18 (XINHUA) -- Pak Se-chik, president of the Organizing Committee of the 10th Asian Games in Seoul, met with Zhang Baifa, vice president of the Organizing Committee of the 11th Asian Games and vice mayor of Beijing, here this afternoon.

Zhang Baifa is the head of a group of 15 people from the Beijing organizing committee of the next Asian games and will accept the flag of the Asian Games from the organizer of the Seoul games.

YAN JICI MEETS DPRK SCIENTIFIC DELEGATION

OW181228 Beijing XINHUA in English 1216 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Vice-Chairman of the Chinese National People's Congress Standing Committee Yan Jici met Yi Cha-pang, chairman of the State Scientific and Technical Commission of the Democratic People's Republic of Korea, and his party here today. They had a cordial and friendly talk.

WAN LI COMMENTS AT NEW ZEALAND RESEARCH STATION

OW181742 Beijing XINHUA in English 1531 GMT 18 Sep 86

[Text] Auckland, September 18 (XINHUA) -- Sino-New Zealand friendly cooperation in agricultural development will be further strengthened in the future, said visiting Chinese Vice-Premier Wan Li this afternoon while visiting the Whatawhata Hill Country Research Station in Hamilton.

Wan made the remarks in a conversation with Peter Rattray, director of the station.

Wan Li said New Zealand's experience in agriculture is good and applicable to many areas in China. The Whatawhata Research Station, located 26 kilometers from Hamilton City, carries out experimental sheep and cattle farming on 810 hectares of undulating to steep hill country. The task of the station is to improve the productivity and profitability of hill country farming on the North Island.

Hamilton, capital of the Waikato Province in the central part of the North Island, is the country's largest provincial center and fifth largest city.

ZHAO ZIYANG MEETS THAI DEPUTY PRIME MINISTER

OW181308 Beijing XINHUA in English 1300 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Chinese Premier Zhao Ziyang today expressed satisfaction with achievements of the Sino-Thai economic cooperation and technical exchanges. "There are many fields and a great potential for cooperation between the two countries," he added.

The premier made these remarks at a meeting with Chatchai Chunhawan, Thai deputy prime minister and president of the Thailand-China Friendship Association, here this afternoon.

He welcomed entrepreneurs and businessmen from Thailand and other countries to invest in China, adding that the Chinese Government would adopt new policies and measures for its coastal areas to better the environment for investment there. He said that China should study good experiences of Thailand and many other Asian-Pacific countries in economic development.

Chatchai told the host that the Thai Government and himself would work for strengthened and diversified cooperation between the two countries. He conveyed greetings from Thai Prime Minister Prem Tinsulanon to the Chinese premier.

Zhao praised Chatchai for his contributions to the Sino-Thai friendship and also asked him to give his best regards to the Thai prime minister.

Wang Zhen, vice-chairman of the Chinese Communist Party Central Advisory Commission, was present at the meeting. The Thai deputy prime minister gave a return banquet here this evening.

PENG CHONG MEETS FORMER PHILIPPINE SPEAKER

OW190826 Beijing XINHUA in English 0804 GMT 19 Sep 86

[Text] Beijing, September 19 (XINHUA) -- Peng Chong, vice-chairman of the Chinese National People's Congress Standing Committee, met J.B. Laurel, Junior, former speaker of the Philippines and chairman of the Nationalist Party, and his entourage here today. Philippine Ambassador to China Alfonso T. Yuchengco was present.

The Philippine visitors arrived here September 16 at the invitation of the Chinese People's Institute of Foreign Affairs.

On September 17, Chinese Vice-Foreign Minister Liu Shuqing met the visitors and president of the host institute Han Nianlong met and gave a banquet for them.

HSIN WAN PAO VIEWS AQUINO VISIT TO U.S.

HK170545 Hong Kong HSIN WAN PAO in Chinese 16 Sep 86 p 1

["New Talk" Column: "Corazon Visits the United States To Discuss Two Things"]

[Test] Female President of the Philippines Corazon Aquino arrived in Washington by air yesterday at the start of her 9-day visit to the United States.

This is her second trip abroad in the 7 months since she assumed office. her first trip abroad to visit Indonesia and Singapore showed the importance she attached to unity within ASEAN countries.

On the eve of her departure for the United States, rumors made the rounds in Manila. Many people predicted that there would be a military coup during her stay in the United States. The farewell ceremony at the airport yesterday with Minister of National Defense Enrile and Armed Forces Chief Ramos specially accompanying here in reviewing an honor guard of the three services seemed to be a posture intended to dispel rumors.

The Philippines that Corazon Aquino took over from former President Marcos was in a shambles. Despite her efforts made in many fields in the past 7 months, conditions have all along not fundamentally turned for the better because of a proliferation of contradictions in the country and an economic downturn.

Now concerning her at home are two major issues. One is economic plight and the other is armed struggle. How to turn things around in these two respects is really no simple matter.

To prepare for her U.S. visit, she personally held talks with two anti-government armed forces in the country. She first went to meet with the leader of the Moro people and then talked with the Philippine communist leader.

What the Philippine military has laid emphasis on is the latter. Despite conflicts between the Army and the Moros, it is a racial matter. On the other hand, the fighting with the Philippine communists is also an ideological problem. For this reason, Minister of National Defense Enrile once expressed dissatisfaction with Corazon's action. This explained the rumors about the military being unstable.

But it was also pointed out that Enrile and Ramos had actually been influenced by the United States to finally come over to the side of Corazon Aquino in the ousting of Marcos. Therefore, during Aquino's U.S. visit, two military leaders with this background are unlikely to step on the road to overthrow the government. Ramos also said the military would be put on full alert to prevent a possible coup.

Corazon's main job on her U.S. visit is to introduce the working conditions of the new Philippine Government and to appeal to U.S. businessmen to increase investment in the Philippines. Just before she left Manila, she said she would make the U.S. Government and people understand that the Philippines is as important to them as to the Filipinos themselves. She hoped that there would be more economic support.

In this respect, the United States will not, of course, disappoint her. But the amount of money that can be provided in loans and investments is difficult to judge. Moreover, given the U.S. bases in the Philippines -- such as Subic Bay Naval Base and Clark Air Base -- under the threat of the Philippine communist armed forces, the attitude that Corazon Aquino assumed in her talks with the Philippine communist will also be included in her talks with the United States.

Therefore, some people estimate that after returning from the United States with a loan, Corazon Aquino, out of consideration for U.S. interests and for the military strength at home, will strengthen her position in bargaining with the Philippine communists and even go to the length of using force where diplomacy fails. Thus, her stable position in the Cabinet will be more or less strengthened.

PENG CHONG MEETS BURMESE INFORMATION DELEGATION

OW181758 Beijing XINHUA in English 1605 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Peng Chong, vice-chairman of the Standing Committee of the National People's Congress, met a delegation from Burma led by the leader U Taik Soe, deputy minister of information.

Burmese guests arrived in Beijing yesterday evening. They visited Ai Zhisheng, minister of radio, film, and television this morning.

FINLAND'S SORSA HOLDS TALKS, FETED IN SHENZHEN

OW181743 Beijing XINHUA in English 1644 GMT 18 Sep 86

[Text] Shenzhen, September 8 (XINHUA) -- Visiting Finnish Prime Minister Kalevi Sorsa and Mrs. Sorsa were honored at a banquet given by the Governments of Guangdong Province and Shenzhen City, here this evening.

Earlier today, Vice Mayor of Shenzhen Zhang Hongyi briefed Sorsa and the accompanying Finnish businessmen on the city's economic development.

According to Zhang, Shenzhen has now signed agreements with foreign firms on some 4,700 joint-venture projects, with a total investment of over one billion U.S. dollars. Zhang expressed the hope that Finnish entrepreneurs would also come to invest in his city.

Sorsa, Mrs. Sorsa and other Finnish visitors were invited by Minister of Justice Zou Yu, chairman of the Chinese Government Reception Committee, to a party at a local hotel celebrating the traditional mid-autumn festival.

HU QILI MEETS FRENCH SOCIALIST DELEGATION

OW181754 Beijing XINHUA in English 1529 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- Hu Qili, member of the Political Bureau of the Chinese Communist Party Central Committee and of its Secretariat, met a delegation of the French Socialist Party led by Louis Lepensec, secretary of international relations, here today.

ZHANG AIPING ARRIVES IN BRITAIN FOR 1-WEEK VISIT

OW181549 Beijing XINHUA in English 1542 GMT 18 Sep 86

[Text] London, September 18 (XINHUA) -- Chinese Minister of Defense Zhang Aiping, arrived today for a week-long visit to Britain. He was met at London's Heathrow Airport by Lord Trefgarne, British minister of state for defence procurement. Zhang will call on Sir Geoffrey Howe, British secretary of state for foreign and commonwealth affairs.

The visiting Chinese minister will also meet Prime Minister Margaret Thatcher next Monday.

During his stay, he is scheduled to have a series of tours of British military units, training institutions as well as some defense-related enterprises. This is the first visit to Britain by a Chinese defense minister. In 1981, then British Defense Secretary Francis Pym visited China.

HUNGARIAN ECONOMIC DELEGATION CONTINUES VISIT

Feted by Liu Yi

OW131626 Beijing XINHUA in English 1450 GMT 13 Sep 86

[Text] Beijing, September 13 (XINHUA) -- Chinese Minister of Commerce Liu Yi gave a banquet for a Hungarian delegation led by Minister of Finance Istvan Hetenyi here tonight.

The delegation is here for attending the second meeting of the Committee on Economic, Trade, Scientific and Technological Cooperation between China and Hungary.

Making a toast at the Banquet, Liu, who is also chairman of the Chinese side of the cooperation committee, said that besides exchange of traditional commodities between the two countries, relevant ministries and commissions of the two countries have over the last two years made contacts and entered cooperation.

The two sides have also tried flexible trade and achieved some concrete results, he added. Istvan Hetenyi said that Hungary will work hard to expand the bilateral economic ties.

Cooperation Meeting Opens

OW150922 Beijing XINHUA in English 0912 GMT 15 Sep 86

[Text] Beijing, September 15 (XINHUA) -- The second meeting of the Economic, Trade, Scientific and Technological Cooperation Committee between China and Hungary opened here today. Liu Yi, chairman of the Chinese side of the committee and minister of commerce, and Istvan Hetenyi, chairman of the Hungarian side of the committee and minister of finance, spoke at the meeting.

They expressed satisfaction over the expansion of economic, trade and scientific and technological cooperation between the two countries since the first meeting of the committee was held June last year in Budapest. Last year the trade volume between the two countries reached 656 million SF, 1.7 times more than the previous year. This year is expected to see a 14 percent increase over 1985, totalling 747 million SF.

During the meeting the two sides also exchanged views on resolving problems in the bilateral economic and trade relations in the spirit of goodwill and consultation. They expressed hope for expanding the two countries' economic and technological cooperation in the principle of mutual benefit.

PEACE DELEGATION CONCLUDES VISIT TO HUNGARY

OW181752 Beijing XINHUA in English 1527 GMT 18 Sep 86

[Text] Budapest, September 18 (XINHUA) -- A delegation of the Chinese People's Association for Peace and Disarmament ended a ten-day visit here today.

The delegation, headed by Chairman of the Chinese Catholic Patriotic Association Bishop Zong Huaide, is the first of its kind to visit Hungary in more than two decades.

During its visit, the Chinese delegation held talks with the Hungarian Peace Council to exchange views on peace and disarmament. It also visited factories, farms, scientific research institutes and churches.

Barabas Miklos, general secretary of the Hungarian Peace Council, told reporters that the visit marked a new page in the Hungarian-Chinese relations.

HUNGARIAN COMPANY TO HIRE 350 CHINESE WORKERS

HK100719 Beijing JINGJI CANKAO in Chinese 5 Sep 86 p 1

[Report: "Hungary To Employ Chinese Workers"]

[Text] According to reports from foreign news agencies, Hungary's Raba Company, a large modern car engineering company, will hire 350 Chinese workers to help fulfill the task of manufacturing 12,000 heavy-duty trucks for China in the next 5 years.

Informed sources said that the company would set up a special organ for these workers, who would be assigned to workshops of engines, car spare parts, and assembly.

It is said that the company in Gyor employs 1,000 Polish workers and plans to hire workers from neighboring Burgenland Province of Austria. It is noted that many Chinese work in the capacity of advisers in a number of countries, but this is the first time that Chinese workers will be hired in Europe.

POLISH POLICY FOR DEALING WITH OPPOSITION EXAMINED

OW181935 Beijing XINHUA in English 1857 GMT 18 Sep 86

["News Analysis: Poland's Stick and Carrot Policy in Dealing With Underground Opposition" -- XINHUA headline]

[Text] Warsaw, September 18 (XINHUA) -- The Polish authorities had by Monday released all the 225 political prisoners charged with offences against the state and public order.

Among the released were former Solidarity leader Zbigniew Bujak, Wladyslaw Frasyniuk and Leszek Moczulsky.

Meanwhile, Polish police made a cross-country search on September 11. During the operation they unearthed 281 underground groups and institutions, seized a lot of "illegal publications" and "equipment for secret activities," and had warning talks with more than 3,000 people. As a result, "thousands of people became willing to surrender to the government and stop activities against the state."

The two major moves taken by the Polish Government in dealing with the "underground opposition factions" have been widely supported by the Polish people.

The labor unrest in Poland in the summer of 1980 led to turbulences and serious economic difficulties in the country. Some "anti-government forces," including anti-socialist elements, took advantage of the rise of the Solidarity Labor Union to conduct anti-government activities.

The activities weakened in 1981 when martial law was enforced in the country and the Solidarity union was banned. But some people secretly continued such activities in the name of Solidarity or some other names.

To stop such activities, the Polish authorities followed a carrot and stick policy by granting amnesty to some people jailed for engaging in underground activities while cracking down on the illegal activities of underground organizations. Some well-known leaders of underground organizations had been arrested time and again.

The government had set free 186 non-criminal offenders by December 9, 1985. The Polish Sejm (parliament) passed a special trial law on July 17 this year, under which more than 13,000 prisoners had been released by September 8. Meanwhile, 148 people pleaded guilty to anti-state and disruption of public order offences and surrendered themselves to the government, because under the new law, such offenders will not be prosecuted if they surrender before the end of this year. However, those people, including some former Solidarity leaders, whose cases were investigated by the military, were not covered by the amnesty.

A week ago, in a response to a motion of the National Council of Patriotic Movement of National Rebirth, Polish Interior Minister Czeslaw Kiszczak proposed to the public prosecutor-general that all prisoners charged with anti-state activities and disruption of public order be released by September 15. Prosecutor-General Jozef Zyto held that the decision indicated an improvement of the country's public order, normalization of its social and economic life, people's sense of safety, and consolidation of the role of law.

The proposal won the support of all circles. Jan Dobraczynski, chairman of the National Council of Patriotic Movement of National Rebirth, said that national consultation would become a reality only after all political prisoners in the country were released. The Polish Catholic episcopate press office declared in a statement that the episcopate was satisfied with the proposal, which it said would open a prospect for Poland to extricate itself from difficulties.

Polish leader Wojciech Jaruzelski said yesterday that a new phase was emerging in the process of national understanding. He called on his countrymen to work hard for their own happiness and the country's bright future.

POLAND'S GWIAZDA URGES ECONOMIC COOPERATION

OW181800 Beijing XINHUA in English 1618 GMT 18 Sep 86

[Text] Warsaw, September 18 (XINHUA) -- The Polish Foreign Trade Committee has called for new economic cooperation with China, reported the Polish official newspaper TRYBUNA LUDU. In a meeting held yesterday, the Polish Vice Premier Wladyslaw Gwiazda stressed the importance of importing technologically advanced machines and equipment from China. One of the suggestions put forward at the meeting was to build joint enterprises to expand economic cooperation with China. It was estimated at the meeting that the exchange of goods between the two countries this year will reach 937 million U.S. dollars.

HU YAOBANG MEETS SOUTH AFRICAN COMMUNIST LEADER

OW181434 Beijing XINHUA in English 1428 GMT 18 Sep 86

[Text] Beijing, September 18 (XINHUA) -- General Secretary Hu Yaobang of the Chinese Communist Party Central Committee, met here today a delegation from the South African Communist Party led by Chairman Joe Slovo.

Hu exchanged views with Slovo on the South African situation and other questions of mutual interest.

Briefly the visitors on the history of the Chinese Communist Party, Hu said that in formulating domestic and foreign policies, communists should consider whether these policies would be understood and accepted by the people and win their sympathy.

Slovo, who has visited Yanan, Xian and Shanghai after arriving in China on September 8, told Hu that the will and courage shown by the Chinese people in struggling for liberation and building their country had left a deep impression on members of his delegation. Hu hosted a dinner for the South African visitors after the meeting.

PRC-BUILT HARBOR COMPLETED IN MAURITANIA

OW181222 Beijing XINHUA in English 1139 GMT 18 Sep 86

[Text] Nouakchott, September 18 (XINHUA) -- A huge Chinese-built harbor capable of handling 500,000 tonnes of cargo a year has been constructed off a surf-and-sandstorm-battered coast of the northwest African state of Mauritania.

The harbor, called "Friendship Port," is the most ambitious African aid project undertaken by China in Africa since Chinese involvement in the building of Tanzania-Zambian railway.

The man-made deepwater port, situated 15 kilometers from the capital of Nouakchott, was selected, designed and constructed by Chinese engineers and workers and completed one year ahead of schedule. The total cost, paid for by long-term interest-free loans, is put at 150 million U.S. dollars.

There was no geological information available when the project was begun, while strong currents, heavy surf and the serious threat of silting required a breakwater 800 metres long, made out of 80,000 concrete pilings driven into the seabed by hundreds of Chinese workers.

The first stone was laid in April 1979. The 29,000-square-metre port was regularly buffeted up to six metres (200 feet) high and constant sandstorms blew 400,000 to 700,000 cubic metres of silt a year into the harbor basin during its construction.

Another problem was that the total of 500,000 cubic metres of stone and construction materials to build the port had to be shipped from a distance of 120 km away.

REUTER's correspondent wrote when the project was announced that it would encounter so many problems and cost so much that no foreign company would be willing to undertake it. However, the Mauritanian Government is satisfied with the completed project. "The friendship port becomes a token of friendship between our two peoples," Mauritanian President Maouya Sidi Ahmed Ould Taya said recently.

For Mauritania, trapped between the Atlantic Ocean and the Sahara Desert, the port will be an economic lifesaver. As one of the world's poorest countries, it must currently bring all its imports through Dakar in neighboring Senegal, 600 kilometres away. The port will be able to simultaneously handle three ships of between 10,000 and 15,000 tonnes each and will provide another outlet to the sea for Mauritania's landlocked western neighbor, Mali.

The proposal for the project was raised by the Mauritanian Government in the early 1970's and Chinese aid in building it was promised by the late Premier Zhou En-lai. In addition to building the new harbor, China has aided Mauritania in a number of other projects including the building of an "olympic games stadium", a big farm called "M'pourie," a national medical centre and a power station during the past 20 years.

IRANIAN FRIENDSHIP DELEGATION VISITS SHANGHAI

OW180143 Shanghai City Service in Mandarin 0100 GMT 17 Sep 86

[Text] Li Shoubao, president of the Shanghai branch of the Chinese People's Association for Friendship With Foreign Countries, yesterday at the Shanghai mansion met and feted the Iranian friendship delegation led by (?Abdollah Jasebi), principal of the Islam Liberty University and vice secretary general of the Islam Republican Party.

PLO FACTIONS FAIL IN EFFORTS FOR UNITY

OW171205 Beijing XINHUA in English 1033 GMT 17 Sep 86

["Roundup: Search for PLO Unity Fails" -- XINHUA headline]

[Text] Damascus, September 16 (XINHUA) -- The efforts of three factions of the Palestine Liberation Organization (PLO) to restore PLO unity have failed once again because of the opposition of the Damascus-based Palestine National Salvation Front (PNSF). As a result, a reconciliation conference scheduled to be held in Algeria on September 14 and attended by leaders of the differing PLO factions has been postponed.

When representatives of the Democratic Front for the Liberation of Palestine (DFLP), the Fatah Central Committee and the Palestinian Communist Party (PCP) met in Moscow in early August, they agreed to convene a session of the Palestine National Council aimed at achieving PLO unity. A follow-up meeting in Prague concluded with a 12-point program for resuming political and organizational unity within the PLO.

The program demands that all organizations within the PLO faithfully carry out the organization's political program, adhere to the resolutions of the Palestine National Council and reject all attempts to "partially" solve the Palestinian issue which will weaken the Palestinian cause. The program drawn up in Prague also insists that the PLO is the sole legitimate representative of the Palestinian people.

In the program, Fatah reaffirmed its position that the Amman agreement is invalid and that the various organizations within the PLO must be reformed to make it more representative.

The Amman agreement, signed by King Husayn of Jordan and PLO leader Yasir 'Arafat on February 11, 1985, in Amman, calls for a special joint-negotiating relationship between the two in moving together toward peace in the Middle East and the formation of the proposed Confederated Arab States of Jordan and Palestine.

When the program was announced, it was rejected by most of the subsidiary groups within the PNSF, with the Popular Front for the Liberation of Palestine (PFLP) -- general command and the Fatah dissident movement expressing the strongest opposition. These factions argued that the prerequisite for PLO unity is that 'Arafat must step down from his position as leader. They also asserted that to convene a session of the Palestine National Council would be a big step toward destroying the Palestinian cause. In addition, they warned that the DFLP must immediately stop its "sabotage policies" before it is "too late."

Abou al-Hayja, representative of the People's Liberation War Vanguard (Al-Saika), said the program completely denies the concept of armed struggle as the major means of liberating the Palestinian people and said that he considers an international conference to be the only way to achieve a settlement of the Palestinian issue. He said that the Aden-Algiers agreement mentioned in the program has long been rejected and cannot become the foundation for PLO unity.

The Aden-Algiers agreement, signed in Algiers, capital of Algeria, on July 13, 1984, calls for PLO unity and paved the way for the convening of the 17th Palestine National Council.

"Nidal ach-Chaab," organ of the Palestinian Popular Struggle Front, denounced Fatah's policy toward the Amman agreement, saying that to declare the Amman agreement invalid is only to admit a fait accompli because Jordan had already declared on February 19 that it would end its joint actions with Palestine.

By now, only the Popular Front for the Liberation of Palestine, which belongs to the PNSF, has not commented on the program.

Observers here believe that efforts of the DFLP, Fatah Central Committee and PCP to restore PLO unity are backed by the Soviet Union, but have failed to get approval from Syria.

When receiving Abu-Musa, head of the Fatah dissident movement, in early August, Syrian President Hafiz al-Assad reaffirmed that Syria strongly supported the PNSF and would provide it with all necessary help. Al-Assad's promise has made it clear that Syria does not support efforts of the DFLP, Fatah Central Committee and PCP to achieve PLO unity. This lack of Syrian support, the observers say, is the principal reason why those efforts have failed.

WEI JIANXING FETES VACATIONING BENIN COMMUNISTS

OW171431 Beijing XINHUA in English 1307 GMT 17 Sep 86

[Text] Beijing, September 17 (XINHUA) -- Wei Jianxing, member of the Chinese Communist Party Central Committee and head of the committee's Organization Department, today met and gave a dinner in honor of a vacationist group from the party of the People's Revolution of Benin, led by Azodogbehouse Francois, member of its Central Committee.

CHING PAO EXAMINES WAN LI COMMENTS ON PRC IDEOLOGY

HK180653 Hong Kong CHING PAO in Chinese No 9, 10 Sep 86 pp 26-28

[Article by Liu Chiang: "Wan Li Meets Liu Binyan; Says the CPC Requires a 'Second Type of Loyalty'" -- first paragraph printed in boldface]

[Text] Wan Li told Liu Binyan: "I agree with you. Our party requires not only Lei Feng spirit, that is, the first type of loyalty, but also a second type of loyalty. If a party does not listen to criticism and does not accept the masses' supervision and suggestions, it will surely fall from power, be it a communist party, a social democratic party, a liberal party, or a christian people's party.

The Government's Stand on Comments Concerning Democracy

On 15 August, prior to the CPC's sixth plenary session in September, with the authorization of the XINHUA NEWS AGENCY, major newspapers published a long speech by Wan Li, a member of the Political Bureau of the CPC and vice premier of the State Council, at a national soft science research work symposium on 31 July, entitled "Making Policies in a Democratic and Scientific Manner Is an Important Problem in Political Structural Reform."

Two weeks ago, a Shanghai newspaper, SHIJIE JINGJI DAOBAO, was the first to frontpage abstracts of this speech. Despite many frustrations, this newspaper enjoys a reputation in theoretical circles as a result of its bold reports on reforms since its establishment in the summer of 1982.

The abstracts of his speech in SHIJIE JINGJI DAOBAO and reports on his speech by major newspapers indicate that Wan Li's speech is of extraordinary importance.

Economic structural reform, which started in the countryside 6 years ago, has now developed into overall reform in the urban areas which inevitably are pounding the existing political structure. Since June, CPC strongman Deng Xiaoping has, on several occasions, suggested study of political structural reform. This has been caused by various suggestions on democratization put forward since the beginning of this year. Wan Li's speech can be taken as an expression of the government's attitude under Deng Xiaoping's suggestion (order) toward comments on democratization. It is also an idea on political structural reform revealed before the sixth plenary session of the CPC.

Leaving Aside the Text of His Speech, Wan Li Mentioned Liu Binyan

Wan Li pointed out in his speech that an important task for leaders is to allow policy-making to adopt a democratic and scientific nature.

He said critically: "Some of our cadres still do not realize the value of knowledge and the importance of respecting knowledge and talented people. Quite a number of leaders cannot conscientiously draw a lesson from previous mistakes in policy-making which have brought great harm to the state and the people. They very seldom have contacts with intellectuals and experienced comrades and even look upon them as passers by." [paragraph continues]

He added: "Leaders should respect the rights of others to air their views in a democratic way, and should not be afraid of different opinions and even of objections. The saying 'blame not the speaker but be warned by his words' is correct but a little passive. The positive saying should be 'merit for the speaker and benefit for the hearer.'"

Excited, Wan Li left aside the text of his speech and speaking impromptu, mentioned Liu Binyan. He said: "I have read Liu Binyan's reportage literature 'A Second Type of Loyalty.' It is well written and there is no problem with it. Our party requires a 'second type of loyalty' in the present situation of reform."

Mr Mao once said: "Allow others to speak and the sky will not fall down; if you do not allow others to speak, you will surely come to grief one day." While quoting these remarks Wan Li mentioned Liu Binyan, injecting many new ideas into them. This suggests the CPC's sincerity in advocating democracy.

What Wan Li said represents the open attitude of the top CPC leaders toward Liu Binyan and his reportage literature "A Second Type of Loyalty." In the past, criticism of Liu Binyan and his reportage literature "A Second Type of Loyalty" was conducted secretly. CHING PAO "boldly" reported on this matter in September last year, and the magazine KAITUO, which published "A Second Type of Loyalty," was censured for "leaking the secret." It now seems that the case concerning Liu Binyan and "A Second Type of Loyalty" has ended.

Wan Li Meets Liu Binyan at Home

It was reported that Wan Li met Liu Binyan at home on the morning of 7 August. Also present were Wan Li's wife and child. Their conversation proceeded in a cordial family atmosphere.

Wan Li encouraged Liu Binyan, saying: "I agree with you. Our party requires not only Lei Feng spirit, that is, the first type of loyalty, but also a second type of loyalty. If a party does not listen to criticism and does not accept the masses' supervision and suggestions, it will surely fall from power, be it a communist party, a social democratic party, a liberal party, or a christian people's party."

Wan Li continued: "The third loyalty you criticize in your work, namely fawning on leaders and doing everything to one's superior's liking is also a type of loyalty. But this type of loyalty will make things worse."

At 1800 on the same day, the compilation committee for the "Translation of Works by Famous Foreign Thinkers" held a symposium at the Association of Fellow Students Studying in Europe and America. At the symposium, young compilers invited their "beloved teacher" and "pitiable old man," He Jiadong, to speak. He Jiadong gave them the above news amid warm applause.

He Jiadong Is a "Beloved Teacher"

He Jiadong was originally an assistant editor in chief in the Workers' Publishing House. He was in charge of the two editorial rooms for politics and ideology, and was editor in chief of the magazine KAITUO. He was a member of the Chinese Writers' Association and is the author of the books "Devote Everything to the Party," "My Family," and "Liu Zhidan." [paragraph continues]

He was branded as a rightist in 1957 because he published Liu Binyan's collection of reportage literature entitled "Classified News From This Newspaper." Subsequently, he was repudiated under the supreme instruction "using novels to carry out anti-party activities is a great invention." In the "Great Cultural Revolution," "Devote Everything to the Party" and "My Family" were criticized as poisonous books which defended the erroneous line, and he was taken into custody. When economic reform first started, he exerted himself and ran the magazine KAITUO, but he was soon dismissed from his post because the magazine published Liu Binyan's "A Second Type of Loyalty." His fate was this: The magazine was banned and he was removed from all posts and ordered to retire to his native place. People probably call him a "pitiable old man" because of this. But to young men, he is really a "beloved teacher" who should be held in the highest esteem.

From the ups and downs in his editorial career, people can readily see his extraordinary farsightedness. But what is more precious is that which he has left undone. He is an enlightened man who is bold and resolute in his work. Since his youth, his ideology has always kept pace with the times, and he has always been enthusiastic in pursuit of truth. For this reason, young theorists today respectfully call him "beloved teacher."

What Is Worse Is That Even Nietzsche Was Involved

Before his dismissal, He Jiadong was in charge of compiling three political and ideological books, one of which was the "Translation of Works by Famous Foreign Thinkers." This is the first mainland book which systematically introduces the remarkable ideas of famous foreign thinkers. The unparalleled achievements of these thinkers in the philosophical and scientific fields have helped change mankind's way of thinking and concept of value, thereby promoting human civilization. It is planned that this book will be published in at least 100 volumes.

The other two books, entitled "A Collection of 20th Century Works" and "A Collection of Chinese and World Cultures," cover an even larger range of knowledge. Western civilization was introduced to China during the late Qing Dynasty through Yan Fu's translation of Huxley's work "Evolution in Nature." However, a common shortcoming in China's modern ideological circles is that Western civilization has not been introduced in a systematic and all-round way, but in a pragmatic manner instead. These three books are aimed at making an unprejudiced exhibition of Western ideology according to the development of Western humanism [renwen zhuyi 0086 2429 0031 5030], so as to provide a large choice of material for today's ideology and theories.

Four in the series of "Translations of Works by Famous Foreign Thinkers" have been published, one of which is on Machiavelli, the "giant of the Renaissance." He was always talked of in China in the past, but most people mentioned him with ill feeling. Shakespeare called him the "cruel Machiavelli." In history, he was a man commonly hated by moralists, conservatives, and revolutionaries. Marx and Engels severely criticized his principles as representing the "force which strangles democracy." This volume was selected and published by Quentin Skinner, a Cambridge University professor, who also wrote Machiavelli's biography on the basis of the achievements he had made in his research. The author is of the opinion that Machiavelli's viewpoint of "extricating politics from the control of morality" really helped develop the concept of politics and morality. [paragraph continues]

The compilers believe that this can be used as a reference in China's political structural reform and in strengthening the legal system. There was also a rule of virtue in ancient China, which was in fact the most reactionary and backward political concept. This concept has deeply affected the political structure of the CPC, and even the central Discipline Inspection Commission cannot free itself from its influence, which is characterized by the practice of paying attention only to morality, to the neglect of law. When a cadre violates law and discipline, he is not punished according to law but, instead, is merely required to write a letter of self-criticism. If he does not write it well, he will be punished according to party discipline instead of by law.

The compilers of this series of books are young and talented ideological theorists who cherish great enthusiasm for political structural reform. They joined the Workers' Publishing House because of He Jiadong. However, apart from causing He Jiadong's dismissal, Liu Binyan's case unexpectedly also involved some 100 Western thinkers, including Nietzsche. The compilation of this series of books was suspended by He Jiadong's successor under the pretext that He Jiadong "did not attend properly to his duties."

On the mainland today, there are bound to be talented people who have a good understanding of current affairs. The "Translation of Works by Famous Foreign Thinkers" has been shifted to the Academy of Social Sciences for further publication. the Huaxia Publishing House, which was recently established by Deng Pufang, has taken over publication of "A Collection of 20th Century Works." Deng Pufang said that he would change it into a treasure house which can turn out new ideas and talented people. The publication of "A Collection of Chinese and World Cultures" has been transferred to the Joint Publishing Company under the new title of "A Collection of New Culture."

The changes in He Jiadong's position and the transfers of the publications of these three books indicate a turn for the better in reforms and portray the characteristics of reforms.

Dang No Longer Allows "Theoretical Authorities" To Interfere

This autumn is greatly different from last autumn, when Liu Binyan was fiercely repudiated as a "representative of bourgeois democratization." Now glad tidings keep coming in.

It was said that the "theoretical authority" who ran into a wall of criticism in Shanghai rebuked some young theorists at a theoretical research symposium by saying: "You have mentioned so many authorities. Why don't you mention Marx?" As a result, he infuriated the participants. Therefore, these "newborn calves" wrote a letter of complaint to His Excellency Mr Deng, who, soon afterward, issued the following instruction to this "theoretical authority": "From now on, you should no longer meddle with problems in the ideological field!"

This "theoretical authority" has caused a series of problems for Mr Deng since the "Ma Ding incident." Mr Deng had no choice but to dissolve the CPC's ideological group under his leadership. The Central Ideological and Cultural Work Group has been formed, with Hu Qili as leader and Xiang Nan as deputy leader, and Xi Zhongxun, Zhu Houze, and Gao Zhanxiang as its members (it is said that Gu Mu is also a member). The observer of this group is Qin Chuan. With the exception of Xiang Nan, the rest hold concurrent posts. Mr Deng once said that holding too many posts at the same time will help foster bureaucratism and formalism. Whether this leading group will play a balancing role in the CPC's ideological work remains to be seen.

NANFANG RIBAO EXAMINES MAO ZEDONG THOUGHT

HK120309 Guangzhou NANFANG RIBAO in Chinese 9 Sep 86 p 4

[Article by Liu Rong: "Uphold the Principle of Seeking Truth From Facts Advocated by Comrade Mao Zedong"]

[Text] The historical meritorious service rendered by Comrade Mao Zedong, great leader of the Chinese people in leading the CPC and the Chinese people to win the signal victory for the Chinese revolution is indelibly engraved on the memory of the people and will shine ever more brightly with the lapse of time and the development of history.

People will not forget that it is Comrade Mao Zedong who led the CPC and the Chinese people to achieve the great victory for the new-democratic revolution and socialist revolution through an earth-shaking fight and protracted and arduous heroic struggles and to change the semi-feudal and semi-colonial oriental power which was trampled upon and oppressed by other countries into an independent and free socialist power. Thereupon China put an end to the history of exploiting classes dominating the broad masses of the laboring people and the history of imperialism and colonialism enslaving the Chinese people and ushered in a new era in Chinese history. If there has been no leadership of the CPC chiefly represented by Comrade Mao Zedong, "our party and people would have had to seek truth in darkness for a longer time." We must never forget where our happiness comes from. The great historical feats performed by Comrade Mao Zedong are indelibly engraved on the memory of the people.

People will also not forget that in "the collective struggles waged by the party and people," Comrade Mao Zedong, with his superb courage and spirit of blazing new trails, integrated the fundamental tenets of Marxism-Leninism with the concrete practice of the Chinese revolution. He was bold in bringing forth new theoretical thinking, discarded certain "outmoded" tenets and conclusions of Marxism-Leninism inappropriate to actual conditions in China, and replaced them with the tenets and conclusions appropriate to actual conditions in China, thus having developed Marxism-Leninism and molded scientific Mao Zedong Thought tallying with the actual situation and law of development in China. It is Mao Zedong Thought which guided the CPC and the Chinese people from one victory to another. Mao Zedong Thought is Marxism-Leninism with Chinese characteristics. It is the spiritual wealth accumulated with the blood of the Chinese people and a crystallization of collective wisdom. In the past Mao Zedong Thought guided us toward the road of victory, and it is and will still be our ideological weapon of winning still greater victory.

Some people say that since Mao Zedong Thought contains such erroneous theories as the theory of "taking as the key link the class struggle between the proletariat and the bourgeoisie" and the theory of "continuing the revolution under the dictatorship of the proletariat," how could it be a guide to action? Others say that since new situations and problems continue to arise in the great practice of China's socialist modernization, and Mao Zedong Thought cannot solve these new problems, how could it be a guide to action? In this connection, we must clarify two problems of understanding. First, we must distinguish between the personal thinking and remarks of Comrade Mao Zedong and scientific Mao Zedong Thought which is a crystallization of collective wisdom. Some remarks made by Comrade Mao Zedong before he became a Marxist, and the errors he committed in his later years such as the error of "taking class struggle between the proletariat and the bourgeoisie as the key link" and the error of "continuing the revolution under the dictatorship of the proletariat," are not included in Mao Zedong Thought, which is regarded as a scientific system.

Mao Zedong Thought has been proved by practice as "correct theoretical principles and summing up of experiences of the Chinese revolution" and is "a crystallization of the CPC's collective wisdom." The erroneous theories and practice adopted by Comrade Mao Zedong in his later years do not belong to scientific Mao Zedong Thought and are divorced from the orbit of Mao Zedong Thought which is regarded as an integration of the fundamental tenets of Marxism-Leninism and the concrete practice of the Chinese revolution. Second, like Marxism-Leninism, Mao Zedong Thought is not a collection of dogmatism but a scientific world outlook and methodology. The theories regarding the new-democratic revolution in Mao Zedong Thought, including the theory of encircling the cities from the countryside, are "outmoded" and inapplicable to China today. However, as the living soul of Mao Zedong Thought, the stand, viewpoint and method embodied in its component parts such as integrating theory with practice, seeking truth from facts and the mass line are still of universal significance of guidance and remain an ideological weapon of our socialist modernization.

Just as the "Resolution of Certain Questions in the History of Our Party Since the Founding of the PRC" points out, seeking truth from facts means proceeding from reality and combining theory with practice, that is, integrating the universal principles of Marxism-Leninism with the concrete practice of the Chinese revolution. In combating subjectivism and especially dogmatism, Comrade Mao Zedong opposed blind book worship and persisted in combining theory with practice, that is, he persisted in seeking truth from facts and applying the stand, viewpoint and method of Marxism-Leninism in the study of the logic of the Chinese revolution, thus charting the course toward victory in the Chinese revolution. Therefore, seeking truth from facts is the quintessence and fundamental proposition of Mao Zedong Thought. Comrade Chen Yun had said: "Whether to adhere to the work style of seeking truth from facts or not is the main indication of distinguishing genuine from sham Marxism-Leninism and genuine from sham Mao Zedong Thought." (RENMIN RIBAO 28 September 1977) Comrade Deng Xiaoping has said: "Just as in the past we achieved all the victories in our revolution by following the principle of seeking truth from facts, so today we must rely on it in our effort to accomplish the four modernizations. Comrades in every factory, government office, school, shop, and production team as well as comrades in party committees at the central, provincial, prefectural, county, and commune levels -- all should act on this principle." ("Selected Works of Deng Xiaoping," p 133) The principle of seeking truth from facts is the most valuable spiritual legacy bequeathed to us by Comrade Mao Zedong. If we adhere to the principle of seeking truth from facts, our cause will win; if we deviate from the principle, our cause will meet with setbacks and even failure.

Just adhering to the principle of seeking truth from facts, Comrade Deng Xiaoping, as a "principle policy-maker of our party today," with his outstanding art of leadership and boldness, led the entire party and people to realize the great and historical change of "setting things to rights," that is, "setting to rights things which had been thrown into disorder by Lin Biao and the 'gang of four,' criticizing the mistakes committed by Comrade Mao Zedong in his latter years, and returning to the right track of Mao Zedong Thought." Thanks to his adherence to the principle of seeking truth from facts, with the spirit of blazing new trails and making a bold break with traditional ideas, Comrade Deng Xiaoping paved the way for Chinese-style modernization and advanced on the objective of working hard for building socialism with Chinese characteristics. Opening up a new path and blazing new trails must depend on adherence to the principle of seeking truth from facts. Both at home and abroad, some people like to attribute the "amazing changes" that occurred in China to forsaking of Marxism-Leninism and Mao Zedong Thought and giving up the socialist road. If this is not a misinterpretation, it is a misunderstanding because these people take a dogmatic attitude toward Mao Zedong Thought. [paragraph continues]

In his meeting with President Maumoon Abdul Gayoom of the Republic of Maldives on 26 October 1984, Comrade Deng Xiaoping said: "A little experience we have gained from our achievements is that over the past few years we have affirmed the principle of seeking truth from facts advocated by Comrade Mao Zedong. China's path to success is due to the fact that Comrade Mao Zedong integrated Marxism-Leninism with China's realities so that a socialist path unique to China was developed. In our construction, we will also follow our own road by integrating Marxism-Leninism with the actual conditions in our country. In accordance with this principle, over the past 5 years much has been achieved in economic reform. We have recently decided to carry out the restructuring of the national economy as a whole with the focus on the urban economy. To achieve it, we will also follow our own road by integrating the fundamental tenets of Marxism-Leninism with China's realities." ("Building Socialism With Chinese Characteristics," p 65)

As long as we adhere to the principle of seeking truth from facts advocated by Comrade Mao Zedong and advance along the scientific socialist road, our cause of building the four modernizations will certainly flourish and its prospects will be splendidly bright.

EXCERPTS OF LIU ZAIFU ARTICLE ON SCIENTIFIC SPIRIT

HK121449 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 12 Sep 86 p 8

["Excerpts from QUNYAN [MASS TALK] No 9, 1986": Liu Zaifu on Scientific Spirit"]

[Text] 1. Science does not recognize that there is a self-proclaimed absolutely perfect and lasting theoretical framework. Nor can there possibly be ultimate truth. Therefore, science can be an assumption. There should be no premise offered as "absolute truth." Only by dropping such a premise can academic debate be normal. For a person to vie to be the first to claim possession of absolute truth seems to be an unfortunate phenomenon common among mankind.

The above is absolutism that is diametrically opposed to scientific spirit.

2. Science recognizes that every researcher has the right to truth. Science should recognize that various sides participating in any debate have the right to discover and master truth and the ability to do so. Therefore, whoever discovers and masters truth is a matter independent of authority, independent of need for a majority, and independent of a respectable or humble position or of the times.

3. Science knows no concept of authority worship and idolatry. Science always means more or less doubt for authority, idols, and recognized formulas and modes of thought. Doubt is a mental driving force behind the discovery of truth and is the starting point in truth exploration.

4. Science is always experimental. The experimental nature of natural sciences is generally recognized. But the experimental nature of social sciences and social studies is often overlooked. To recognize the experimental nature of science is to recognize that the scientific process is one of continuous exploration, continuous failures, continuous summing up of experiences, and continuous struggle to get ahead. [paragraph continues]

Failure is a necessary step to truth. Subjecting a mistake to analysis, supplementation, and revision is science. Subjecting a mistake to a political trial is against science.

5. A genuine scientific spirit stresses the pursuit of truth and not the possession of truth. In scientific exploration, the spirit of "being concerned only with cultivation and not with reaping the harvest" is necessary. Being scientific for the sake of science often can bring scientists to greater depths of the mental world. Science's selflessness is derived from taking itself as its own lofty goal. For the sake of scientific truth, everything else can be sacrificed, including the self-sacrifice of a person involved. Science has no concrete aim of practicality, but it will never forget its mission of promoting the welfare of mankind.

6. Science is subject to test. Moreover, practice is taken as the most authoritative yardstick by which to test scientific truth.

7. Respect for science means not just respect for abjective things and not just respect for knowledge and technology; it also means respect for who is exploring objects, that is, respect for people who are the discoverers of information architects of the system of knowledge.

8. The essence of propaganda is the illustration of things known, while the essence of science is the discovery of things unknown.

9. One of the features essential to the understanding of science is the systematic nature of such understanding. The mix of fragmentary knowledge not yet incorporated in a certain ongoing system cannot form science. The establishment of an idea or concept of a system and the mastery of methods related to the system is a fundamental skill that contemporary scientific workers must acquire.

10. Scientific spirit does not recognize any authority. Scientific spirit is fully humble and fully honest. Anyone with scientific spirit fully respects scientific achievements, respects scientists, and treats scientists as the cream of mankind. Not knowing to respect scientists is a reflection of smallness or even meanness where human dignity is concerned. Of course, it is also a reflection of the ficiousness of human nature. In a nation full of scientific spirit, the people should universally cultivate a habit of respecting science where culture and mentality are concerned.

GUANGMING RIBAO ON RURAL ECONOMY CENTRALIZATION

HK140720 Beijing GUANGMING RIBAO in Chinese 7 Sep 86 p 3

[Article by Wen Quan: "Tentative Views on 'Centralization' in Rural Economy"]

[Text] The reform of the rural economic structure, which is centered on the system of contracted responsibilities with payment linked to output, has boosted the vitality of the country's rural economy. One of the main features of this reform is decentralized management. However, with the development of the rural economy, a disadvantage of too much decentralization -- that is restricts the development of the productive forces -- is being gradually exposed. "Centralization" has now become a new problem concerning the contemporary rural economy.

Actually, like "decentralization," "centralization" is indispensable to economic activities. "Decentralization" encourages the individual to make the best use of his talents and abilities, whereas "centralization" helps us pool collective strength. In order to arouse the enthusiasm of the family as a level of management, it is necessary to have some "decentralization." However, after we have aroused the enthusiasm of the family as a level of management, "centralization becomes indispensable.

First, the development of a commodity economy entails "centralization." The rural economy is developing from a self-sufficient natural economy into a commodity of economy. As a result of this, a wider and wider range of the peasants' productive activities will be governed by the law of value. A peasant involved in decentralized operations will find it difficult to have an understanding of the overall situation and the demand situation from the viewpoint of society or to obtain information. As a result of backward technology and backward management, more time will have to be spent on producing an individual product than is socially necessary, and losses will be inevitable. In order to overcome the disadvantages of the peasants' decentralized operations, it is necessary to establish centralized service organizations which provide effective and efficient information, technical, and management services for the peasants involved in decentralized operations. In this way we can avoid unguided actions and overcome the spontaneity resulting from decentralization and enhance the peasants' ability to produce products and compete with others in a commodity economy.

Second, because of its special characteristics, agricultural production requires centralization. Natural conditions greatly affect agricultural production. In order to enhance the people's ability to cope with nature, it is necessary to group and organize the peasant households so that they can share water sources, work together to build irrigation works, and so on.

Third, a socialized production calls for "centralization." The development of our commodity economy has led to a higher degree of labor division and a higher degree of specialization in the rural areas. The more closely the peasants are tied to society, the more socialized production and management will be. In the course of agricultural production, some processes, such as the growing, purification, and rejuvenation of seeds and seedlings and the drying, processing, and transportation products must be handled by some specialized economic units which provide centralized service for peasant households.

Fourth, "centralization" is a must if we are to take the road of mutual prosperity. Mutual prosperity, as a fundamental goal of socialist modernization, is conclusive proof of the superiority of socialism. At present, some peasants have become rich before others. However, we should be able to see that some peasants, having a slender foundation to start with or because of poor management or natural or human calamities, still live in straitened circumstances. In order to help these peasants shake off poverty quickly, it is necessary to adopt centralized measures, to give them centralized preferential treatment, and to help them develop production.

If the development of the country's rural economy requires us to centralize things, who, then, is to be responsible for this "centralization?"

One of those to be responsible for this task should be the regional cooperative economic organizations that have evolved. These cooperative economic organizations have been established in townships and villages.

At present, however, in many parts of the country, village administrative organizations are performing the functions of these economic organizations. These village administrative organizations have evolved from village and commune organizations. Characteristically using land ownership as a medium [zhong jie 0022 0094], these organizations mainly perform the following functions: centralizing farmland capital construction and the management of irrigation works and irrigation projects; improving production conditions; organizing efforts to combat natural calamities such as drought, floods, strong winds, hailstorms, and so on; centralizing land management and readjustments; protecting and preserving various agricultural resources such as land, forests, water sources, and so on; centralizing the application of the contract system and perfecting it; perfecting purchase contracts and centralizing their execution; mediating among the interests of the peasants, the collective, and the state; harmonizing the economic relations between various local industries and professions; properly managing old and new public property; establishing; readjusting the local production setup; helping impoverished households and centralizing social welfare; and providing various services for the peasants.

Second, transformed enterprises and institutions which provide services should also be responsible for centralizing things. Enterprises of this type include supply and marketing cooperatives, credit cooperatives, grain procurement stations, farm and sideline products procurement stations, farm machine stations, agrotechnology popularizing stations, veterinary service stations, seed distribution stations, water conservancy service stations, and so on. Generally speaking, these units have two main characteristics: On the one hand, they are branches set up in the rural areas by various state departments. Thus, they have the nature of public utilities. However, on the other hand, with the peasants' participation, they also have the nature of cooperative enterprises. At present these units are being transformed. This means that they are becoming enterprises assuming sole responsibility for their own losses and profits and that civil participation is eclipsing government intervention in their administration.

Third, reorganized service combines should also be responsible for the above task. These organizations mainly refer to those specialized producers' associations and economic combines which provide various services. These organizations are formed voluntarily and on the basis of production and operational requirements and on the basis of production and operational requirements by peasants involved in decentralized operations. Thus, organizations of this type can more satisfactorily meet the practical needs of operators and producers in performing the function of "centralizing things."

PLANNED, ECONOMICAL GRAIN CONSUMPTION VIEWED

HK120801 Beijing JINGJI RIBAO in Chinese 3 Sep 86 p 1

[Editorial: "It Is Still Necessary To Insist on Planned Economical Consumption of Grain"]

[Text] Grain is the most important basic commodity and plays a vital part in the national economy and people's livelihood. The planned and economical consumption of grain has been an important principle of China's economic work over the past 30-odd years following the founding of the state. This principle is still practical and significant in today's situation.

The reason for stressing this principle, which has been repeatedly talked about over the years, is that in recent years China has successively reaped bumper grain harvests, has raised the per capita amount of grain; and has greatly improved the grain consumption situation in both urban and rural areas. [paragraph continues]

Under these circumstances, some comrades believed that we could no longer insist on or stress the principle of planned and economical grain consumption as before. The situation of consuming grain in an extravagant way is very common in some places. Some units use grain instead of substitute grain in production even though they are capable of using substitute grain to save food. This therefore cannot but cause us to attach great importance to the matter.

We should realize that China's per capita grain is now less than 400 kilograms, which is still below the world's average. China's per capita food consumption is about 250 kilograms per year but transformed grain food -- meat, poultry, eggs, and milk -- is still insufficient. Therefore, the calories needed by the people basically come from grain. During the Seventh 5-Year Plan period, there will be a considerable growth rate in grain demand in the wake of natural population growth, the improved food consumption structure, people's improved living standards, and the development of grain consuming industries. But the development of grain production is to a certain extent limited, because of limitations in various areas. All these show that though China has greatly improved the grain consumption situation it is still in general a kind of lower level consumption and will still have not resolved the issue. We must continue to advocate and insist on planned and economical grain consumption. Otherwise, our contradiction between grain production and grain demand, which has already developed, will inevitably be intensified.

At present, we still have great potential for consuming grain in a planned and economical way. For instance, it is very common for people to consume grain in an extravagant way in their daily lives. Some units and people do not plan grain consumption well, and even throw away a large quantity of grain for no reason. China is a vast and populous country. If everyone leads their lives in an economical way, we can save a large quantity of grain.

For another example, our current proportion of grain consumed as fodder is too high. Of the country's fodder, only some 10 or more percent is mixed fodder, while over 80 percent is mainly grain. If we process the latter and turn it into mixed fodder, we shall greatly increase the quantity of livestock and poultry raised. Also, compared to the current practice of lising grain as fodder, we would improve the economic results by more than 25 percent.

Let's take one more example. Previously, the raw material in some industrial production was always substitute grain. But some of them have recently switched to using grain as the raw materials. At tpresent, only part of the products from China's 11 [as published] provinces use substitute grain. If we can make industrial production enterprises, which are able to use substitute grain as their raw materials, insist on the use of the substitute, we would save on a large quantity of grain.

In addition, the amount of grain consumption by breweries has been sharply increased in recent years. This is mainly because some township breweries have been rapidly developed. Most of these breweries produce white spirits. Because of their backward technology, however, they consume large amounts of grain in production and their costs are therefore rather high. If we reduce the production volume of high proof white spirits, which consumes large amounts of grain, while increasing the production of low proof spirits or drinks, not only shall we save on grain but we will also improve people's physical health.

The planned and economical consumption of grain is a protracted principle of China's grain work. We must strengthen our propaganda and education about it, so that people across the country will fully understand the importance of saving on grain, will carry forward the Chinese nation's traditional virtue of being hardworking and thrifty, and will cherish every grain. [paragraph continues]

On policy, we must encourage the practice of planned and economical consumption of grain, advocate the use of substitute grain, develop comprehensive utilization of grain, and promote the intensive processing of grain, so as to multiply the increase in value. All localities, as well as departments at various levels, must further strengthen their grain supervision. By taking various economic means, as well as all necessary administrative means, they must promote the scientific and rational consumption of grain, so as to develop the economical consumption of grain into a common social practice.

CHANGSHU CITY SETS UP NEW TYPE OF TRADE FAIR

HK170113 Beijing RENMIN RIBAO in Chinese 13 Sep 86 p 2

[Report by Fu Peisheng: "Peasants in Jiangsu's Changshu City Set Up a New Type of Trade Fair"]

[Excerpts] A new type of peasant-run trade fair which has been welcomed by producers operators, and consumers has developed in Changshu City in Jiangsu Province. Since its founding a year ago, the trade fair has attracted businessmen from 420 cities and counties of 29 provinces, municipalities, and autonomous regions. An average of over 10,000 people per day visit the fair and an average business volume of over 100,000 yuan per day is conducted. Changshu City's trade fair has developed into a well-known big trade fair which is mainly famous for its clothing, textiles, and indoor decorations. [passage omitted]

The Changshu City trade fair has gradually perfected its management system and has established relevant organizations and rules and regulations with regard to traffic safety, city environment, hygiene, industrial and commercial administration, public security supervision, and other aspects. The industrial and commercial department, tax department, public security department, and some other departments have established a joint office at the trade fair to guide the operators there to do business according to the law. Business at the trade fair is brisk and the whole trade fair is in good order and under good security.

Commentator's Article

HK170127 Beijing RENMIN RIBAO in Chinese 13 Sep 86 p 2

[Commentator's article: "Develop Trade Fairs Run by the People"]

[Text] The trade fair established by the peasants in Qinnan Township of Changshu City receives both government and private businessmen and accepts both southern and northern goods. Since the establishment of the trade fair, businessmen have come from thousands of li away to the trade fair to do business and the commodities of the trade fair have reached thousands of li away.

This type of trade fair run by the peasants is an effective way to enable circulation to conform with the development of production.

Over the past few years, trade fairs run by the people have sprung up in various parts of the country. This is an important breakthrough in the old system characterized by the monopoly of the state commerce. The development of the commodity economy in the rural areas objectively demands a bigger volume of circulation which is characterized by faster speed and greater distance. [paragraph continues]

In this wide field, the state commerce and the commerce run by the peasants compete with each other. Each has its own advantages and disadvantages. While state commerce has the advantage of a big volume and wider circulation, it has the disadvantage of being under over rigid control. Commerce run by the peasants has the advantage of flexible operations and faster circulation. It has the disadvantage of a small operational scope and small business scope and a lack of the sense of responsibility toward the macroscopic market. In order to invigorate circulation and stimulate the market, the state, collective, individual commerce, "government-run commerce," and commerce run by the peasants should be allowed to compete with one another, rely on one another, and complement one another, so as to form various commodity circulation networks.

Changsha City's peasants-run trade fair is characterized by a large business volume, fast circulation, and broad business scope. This trade fair run by the peasants has attracted the state, collective, and individual businessmen, has been able to carry out both wholesale and retail business, and has been able to enable its commodities to reach various provinces, municipalities, and autonomous regions in the country and go deep into the high, middle, and low circulation strata of commerce. The trade fair can be said to have combined the advantages of both state commerce and the commerce run by the peasants so that it now has powerful advantages.

While economic results are stressed in production, they are also stressed in circulation together with the reduction of expenditures and costs. The trade fair run by people has an advantage in this respect because it neither requires state investment nor many links and big expenditure. Furthermore, the trade fair run by the people enables fast circulation. In order to encourage the development of trade fairs run by the people, we should provide for such development by having a good development environment, and should allow and encourage it to compete with and complement state commerce on an equal basis. We should also reorganize the state, the collective, the individual, and various other circulation factors according to the law of circulation so as to form a large-scale commodity circulation network with a flexible mechanism.

Changsu City's trade fair has such a strong appeal because it provides good services and has sound management. Even put under control, it can still survive. While being invigorated, it does not produce disorder. Why? Because the people who run the trade fair are not only administrators but also operators whose interests are directly linked with the success or failure of the trade fair, so they cannot place themselves above the trade fair but can only place themselves in the trade fair. This is what some dull trade fairs lack at present. The areas where trade fairs already exist should learn from Changshu City's experience.

RENMIN RIBAO ON 'FAMILY BASIS PRODUCTION'

HK160607 Beijing RENMIN RIBAO in Chinese 12 Sep 86 pp 1-2

[Newsletter by Chen Delin of Anhui Provincial Office for Structural Reform, and RENMIN RIBAO reporter Yang Chuanchun: "After Releasing Families' Energy"]

[Excerpts] Unlike Wenzhou, Fuyang did not have any tradition of commodity production, but it achieved a Wenzhou-style miracle in 2 years. More than 110,00 family basis industrial producers have risen. Last year their output value totaled 663 million yuan, accounting for one-third of the prefecture's industrial output value.

Taking a closer look at these producers, one will find that they are actually 110,000 "workshops," each of which gives play to their manpower, technological, capital and other advantages, thereby forming a spectacular "conglomeration of families." Looked at from afar, however, one discovers that under the operation of market mechanism, they turn society into an "invisible factory." Under the circumstances in which no state investment is involved, they offer commodities and create wealth in accordance with market demand. They are now bringing this typically old rural area in the recesses of the plain to the north of Huaihe into the vast ocean of commodity production. [passage omitted]

Two Development Trends

Two development trends emerged soon after the rise of Fuyang's family basis production industry. One of them is that individual families join together and merge their basic means of production such as plant, capital, manpower and technology. There are combines jointly owned by the state, collectives and individuals, which break through the old ownership system; short- and long-term combines formed by joint ventures; and the elementary stock economy has been developed in many localities. The second development trend is that the scale of enterprises run by individuals has gradually expanded, becoming large private enterprises. Some of them even use their profits to form more enterprises, thereby developing a private "trust."

As these trends have broken through the "workshop-style" family operation, they have brought about better economic results and caused more rapid development. [passage omitted]

Fuyang's family basis production industry has just started. Localities that have made outstanding achievements only account for about 25 percent of the prefecture. The per capita income of the prefecture as a whole is only 276 yuan, which is below the state's average. The tide of family basis production industry is, however, pounding at the whole prefecture. The operation mechanism has become obvious in localities that just started the industry. They have developed the "Fuyang pattern" which is highly adaptable to the old rural areas. This is a gratifying achievement following China's rural reform in the second stage. It is also a continuation of "the south Jiangsu pattern" and "the Wenzhou pattern."

Commentator's Article

HK160609 Beijing RENMIN RIBAO in Chinese 12 Sep 86 p 1

[Commentator's article: "A New Way To Liberate Rural Productive Forces"]

[Text] The 110,000-odd family basis industrial producers in Fuyang Prefecture are like a rolling river, pooling together the strength of many small streams and bringing the rural area of Fuyang from the natural economy to the vast ocean of commodity economy. This experience is new to comrades who are probing ways of developing the rural productive forces.

Following the start of second stage rural reform, most comrades have realized that to transfer the abundant manpower in rural areas to trades other than agriculture, is favorable to realizing the modernization of agriculture and the industrialization of rural area. The field of vision of quite a number of comrades is, however, limited to the transfer of township industry, which is a collective pattern. This is indeed a good way. Localities that have favorable conditions should continue to uphold the practice. [paragraph continues]

But many parts of China's rural areas are old agricultural areas, like in Fuyang, which have no experience in commodity production and a poor base for developing collective economy. When running collective township enterprises, they face difficulties in terms of capital, technology, manpower and so on. This is the reason why many protractedly closed and economically backward localities have had slow development of collective township enterprises in recent years.

In the development of family basis production industry, what makes Fuyang so remarkable is that it needed neither state nor collective investment, nor did it depend on any "supervisor." Instead, it merely released the families' energy as cells of society, and allowed peasants to study what they liked, to use the market mechanism, and to do what they wanted to do. To seemingly govern by doing nothing goes against nature but this practice has promoted tens of thousands of families in becoming commodity production workshops, thereby becoming "invisible factories" in villages and townships. This experience is highly adaptable. In particular, it is worth being used as a lesson for localities whose economic levels are rather backward and at the middle scale.

Fuyang's family basis production industry is a "market-style economy." Under the circumstances in which the socialist market mechanism has not been perfect or stabilized and the influences of "leftist" thinking have not been eliminated, it will face hinderances caused by the old system and outdated concepts. From public opinion to the purchase of raw materials and sales of products, the peasants will face difficulties. They need the protection of their legitimate rights from leadership at all levels, so as to help them and support them in developing the undertaking smoothly. We must realize the arduousness of transforming China's rural areas from the natural economy pattern to that of commodity economy. We must allow the diversification of production pattern, operation pattern and economies, so as to mobilize various positive factors. Experiences in Wenzhou and Fuyang have shown that: The development of family basis production industry is a new way of liberating the rural production forces. We should firmly establish the concept that "leadership means service" and create a relaxed environment for developing family basis production industry.

HSIN WAN PAO ON EFFECTS OF EXCESSIVE IMPORTS TO PRC

HK161148 Hong Kong HSIN WAN PAO in Chinese 15 Sep 86 p 4

["Special Feature" by contributing correspondent Wen Po: "Bad Consequences of a Swarm of Imports"]

[Text] Why Is "Dalian" Slowing Down Its "Pace" So Abruptly?

Last Year, Dalian broke a record by signing 450 import contracts. This year, however, it has signed only 50 import contracts so far. Why is the famous "Dalian Pace" being so abruptly slowed down? According to Wei Haifu, mayor of Dalian, the present pace is not slow, but, in the past, the pace was too rapid and people were so hotheaded that they wanted to swallow a hot dumpling with just one bite. In retrospect, all this was very unrealistic.

What he said contains a grain of truth. In 1984, when China was further opening itself to the world, 14 coastal cities tried to outdo one another by signing contracts. If any one of them managed to sign 100 contracts in a year, another would try to sign 150. It looked as if one's political performance and sense of reform were in direct proportion to speed and the number of contracts signed.

If a person who has not eaten anything for a long time happens to find some delicious food in front of him, he will certainly devour it voraciously without caring about indigestion. However, it would be incredible if a person behaving like this did not find himself in trouble.

At one time, people went abroad to conduct surveys, hold talks, and sign contracts like a swarm of bees and, to them, imported commodities were good commodities. Spending a lot of foreign exchange, they imported about 100 production lines for the production of color television sets, refrigerators, and washing machines. They did not try to estimate and could not foretell the country's demand for these products. Thanks to the implementation of the opening up policy, many people could import goods. Thus, the electronics industry departments, the economic relations and trade bureaus, the provinces, the cities, and so on all imported goods. Everyone imported and there was much overlapping. This resulted in supply exceeding demand. Some imported production lines were simply not used. Some were partially productive. With some foreign exchange it managed to obtain, a nameless television set factory in a small city in Shandong also imported a color television set assembly line from Japan. But it was simply not used. People jokingly referred to it as an exhibit bought for several million U.S. dollars.

Reins in Foreign Hands

There were even some ignorant "import fans" who had bought foreign carriages and horses but left the reins in foreign (mostly Japanese) hands. With foreigners, they could not even move one inch. An example is the photocopying machine production lines. The country has imported from Japan 11 production lines with a total annual production capacity of 170,000 photocopying machines. However, China's demand for photocopying machines will not reach 100,000 for 5 years. Furthermore, China does not produce the raw materials for the production of magnetic powder and the photocopying machines' magnetic drums. Thus, we must buy them from Japan with foreign exchange. As a result of the restrictions imposed on the use of foreign exchange, we do not have the money to buy raw materials. Thus, some production lines have to be laid idle.

Much foreign exchange has been wasted. It makes the people's hearts ache to see such waste. However, those who are to blame continue to import goods without ever being punished by law. Not a single regulation on this has ever been promulgated.

Those Who Have Made Mistakes Are Not Punished by Law

It is China's national policy to open itself to the outside world. It is also a fine thing to make our country and people prosper by importing, assimilating, applying, and spreading advanced foreign technology. Before importing any technology, however, we should conduct investigations and studies and try to import advanced foreign technology which we badly need and which cannot be obtained in China. Moreover, it is necessary to exercise overall management so as to avoid excessive or duplicate imports.

How should we put an end to such a state of affairs? Experts hold that besides the reform of the existing economic and political structures, there is no other way out. Otherwise, even if this loophole is plugged and the unhealthy tendency is curbed, there may be new loopholes and other unhealthy tendencies may arise.

A fall into a pit, a gain in your wit. China's open cities which suffered the bad consequences of importing duplicate projects have learned a good lesson. With a cool head, they are now taking measures to correct their mistakes, maintain an appropriate growth, and gather information from the international market so that the work of opening up and importing advanced technology will embark on a healthy path.

IMPLEMENTATION OF OPEN BIDDING SYSTEM 'SLOW'

OW170321 Beijing XINHUA Domestic Service in Chinese 0758 GMT 14 Sep 86

[By reporters Xu Kehong and Ge Daxing]

[Text] Beijing, 14 Sep (XINHUA) — Implementation of various contract economic responsibility systems has, in general, proceeded quite smoothly among enterprises of the building industry; however, the open bidding system has made slow progress. This striking contrast between the implementation of the open bidding system and the implementation of other contract economic responsibility systems urgently calls for deepening management reform in the building industry and further opening the market for building materials.

The open bidding system is important for accelerating the development of China's building industry because it allows large numbers of enterprises from various places to compete with each other with quality work in the market. However, according to the latest information released by the State Statistical Bureau, in the first half of the year, some 110 million square meters, or 880.1 percent of the total construction area, were contracted by state enterprises under various economic responsibility systems; of this, only 20 million square meters, or 15.9 percent of the total construction area, were contracted through public bidding.

According to officials of departments in charge of the building industry, the slow progress of the open bidding system has been caused mainly by the lack of a compatible management system. A considerable number of state enterprises are still excluded from bidding by departments and localities. Holding fast to the outdated, selfish concept of protecting the interests of construction enterprises subordinate to them, some departments and localities have insisted on using administrative means to distribute construction assignments or willfully interfere in bidding. Others have created difficulties for enterprises from other units or places in getting bids by unreasonably holding down the construction cost and period, thereby seriously dampening the enthusiasm of construction enterprises to make bids. Secret deals, rebates, and other unhealthy tendencies existing in the contracting of construction projects have also adversely affected the implementation of the open bidding system.

Also, since the building materials market is not yet completely open, quite a few enterprises can only indirectly obtain building materials and assess construction costs. They cannot make an accurate estimate of the construction costs.

Contracting through public bidding and opening up the building materials market are inevitable trends in the reform of China's building industry during the Seventh 5-Year Plan. During this period, China will spare no efforts in reforming the management system of the building industry, separating enterprises from government functions, and introducing new management systems for all trades in order to create the necessary conditions for a prosperous construction market. Departments in charge of construction enterprises should clearly assess the situation and let the large numbers of enterprises compete with each other under the same conditions.

CHINA DAILY REPORTS DECLINE IN PRIVATE COMMERCE

HK160420 Beijing CHINA DAILY in English 16 Sep 86 p 3

[Text] Private commerce nationwide began to decline in the first half of this year for the first time since 1979 when the State first allowed individual businesses to enliven consumer markets and create more job opportunities.

By the end of June, according to CHINA COMMERCIAL NEWS, the total number of individual businesses plunged to 8.74 million with 12.24 million employees, a decrease of 190,000 businesses and 210,000 employees from the end of 1985.

The downward trend has affected half the 29 provinces, municipalities or autonomous regions, especially Hebei, Shanxi, Jilin, Heilongjiang, Jiangsu, Liaoning, Henan and Sichuan. In each of these eight areas, no less than 10,000 privately-run commercial enterprises have stopped operation.

Rural traders seem to have fared worse than their urban fellows, the paper said in a report on Saturday. In cities, a total of 47,000 shops with 32,000 workers have closed down in the first six months of this year, while in the countryside the number of bankrupt private shops amounted to 144,000 employing 174,000 workers.

In catering trades 6,000 more private shops opened but the number of individually-run shops dropped by 175,000 in retail sales businesses, by 17,000 in service trades and by 6,000 in repair services.

The paper said the lack of supply of goods and raw materials was the major cause for the crisis. Many shops complained that they could not stock enough goods needed on the market because wholesale departments sold such goods to them only on the condition that they also bought other goods unwanted by consumers.

As a result, these shops had to retail the "needed" goods at higher prices and dump the "unwanted" good at lower prices, thus not only increasing the possibility of running at a loss but also causing difficulty for the State in keeping market prices stable.

Privately-run restaurants, repair shops and other public service businesses had to find their fuel and raw materials from free markets at higher prices rather than being guaranteed them at State-fixed lower prices.

To keep their businesses, many private shops had to pay "commission fees" to those departments in charge of supplying goods and raw materials.

Many other private shops were forced to close down because they have been overburdened by too many fees and levies imposed on their businesses. In many places, the number of such wanton fees and levies could be more than a dozen, the paper said.

In Zhoukou City, Henan Province, for instance, individual businessmen had been forced to pay as many as 13 kinds of levies under such pretexts as management fees, fund accumulation fees, house rents, electricity fees, sanitation fees, business site charges and membership fees to the local self-employed associations.

Lack of development funds was still another problem with private commercial enterprises, the paper said. About 40 percent of individual businessmen are suffering a shortage of liquid capital because State banks were usually reluctant to lend to them, forcing many of them to raise money elsewhere at high interest rates.

INDUSTRIAL DEFICITS EXCEED STATE LIMITS

HK150348 Beijing CHINA DAILY in English 15 Sep 86 p 3

[Text] The total number of State-run industrial enterprises going into red jumped to over 6,800 or 17.6 percent of the country's total by the end of August. This compared with a relatively stable level of 10.5 and 10.7 percent respectively for 1984 and 1985.

According to a report in Saturday's ECONOMIC DAILY, the State plan to turn loss-making enterprises into profitable ones this year has failed. More and more profitable enterprises are now running at a loss.

From January to August, the total industrial deficit increased by 69.8 percent over the same period last year, more than the limit permitted by the State economic plans for 1986. This poses a serious problem for the State treasury in trying to keep a balance between revenue and expenditure this year.

Some government financial experts attribute the increasing industrial deficit mainly to poor management of the enterprises.

A senior official of the Ministry of Finance said the number of State-run industrial enterprises increased by 1,600 in the first eight months of this year over the same period last year. About 40 percent of the loss-making enterprises began to run at a loss this year.

As a new measure to curb the rising number of deficits, the official said any enterprises that succeed within a year in turning from deficit to profit will be allowed to keep all the profit as well as the State compensations for the deficits it has been allowed to incur.

If any enterprise manages to begin making profits in two or three years, it can expect to keep part of the gains. Any enterprise making a loss because of poor management will find that the State will no longer be held responsible for making up the losses.

A commentary in Saturday's WORKERS' DAILY pointed out that industrial losses are not only caused by poor management of the enterprises themselves but, more importantly, by "blind directions" from higher authorities.

The paper cited the case of the Wuhan No. 3 Radio Equipment Factory in Hubei Province, which has now begun to make a profit after it was declared to be on the verge of bankruptcy in June last year. It was "the victim of interference by administrators and blind orders from above," said the paper.

The factory managers and workers said that the frequent reshuffling of the factory's leaders since 1982 was a major reason for their bankruptcy. It caused great confusion in the factory management.

In four years, a total of 24 factory directors and Party secretaries were appointed or dismissed in nine management shake-ups ordered by higher authorities.

These leaders, with no prospects of longer tenure, usually lacked a sense of responsibility and were shortsighted in their production management. As a result, the factory suffered a loss of 6.7 million yuan due to work stoppages, overstocking and failures in the experimental production of new products.

The paper said the factory failed to compete in the market because of interference with its normal production management by higher-level authorities.

In 1981, for example, the factory planned to stop production of radio receivers and shift to the manufacture of other profitable products according to market demand.

But the administration departments at a higher level dictated the factory should turn out 160,000 more receivers despite its slow sales on the market. As a result, this batch laid idle until 1984 when it was dumped at a much lower price.

In another case in 1982, the factory was ordered to produce sophisticated acoustic equipment although it did not have the right facilities nor competent personnel to ensure experimental production to be a success. The product turned out to be a failure, unwanted in the market.

The paper said managers and workers at the Wuhan No. 3 Radio Equipment Factory strongly appealed to the higher administrative authorities to stop their "blind interference". They asked them to hand back the decision-making power as the State has stipulated.

ZHONGGUO TONGXUN SHE ON REFORM OF JOURNALISM

HK121459 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1428 GMT 10 Sep 86

[Article by Ye Long: "Reform of Journalism in China" -- ZHONGGUO TONGXUN SHE headline]

[Text] Hong Kong, 10 Sep (ZHONGGUO TONGXUN SHE) -- The reform of China's journalism has recently become a popular conversation topic on the mainland.

At a "National Forum of Chief Editors of Provincial Newspapers" which was held in early August, some people pointed out that there was too much news about meetings and conferences in mainland newspapers. Many agreed with them. At about the same time, a signed article in GUANGMING RIBAO called on the country's newspapers to abandon the dogmatic principle of "expressing identical opinions." Shortly after that, RENMIN RIBAO, the country's official newspaper, successively published several articles encouraging people to voice their innermost feelings and calling for the devotion of more space to this end. Vice Premier Wan Li said: "It is necessary to encourage the free airing of views, to lift the ban on the expression of opinions, and to put into effect the provision on freedom of speech in the Constitution." These new trends have recently been observed in mainland journalism.

The CPC has always regarded journalism as "a tool in class struggle" and "the party's mouthpiece" and the country's mass media have always spoken along the same lines.

During the "Cultural Revolution," the situation worsened, with "minor newspapers copying from major ones and major newspapers copying from Liang Xiao (the pseudonym for a writing group then)." Thus, what one could read in newspapers and heard from radios were basically the same things and repetitions. This was either news about conferences or long, tedious speeches. The media were inactive, like a pool of stagnant water.

In recent years, thanks to the implementation of the opening up policy, the newspapers and radios have shown some improvements and the number of people complaining about cadres and trying to bring to light the dark side of things has been increasing. Particularly since the beginning of this year, the authorities have reiterated the principle of "letting a hundred flowers blossom and a hundred schools of thought contend" and different opinions and views have been able to reach the public through the radios and newspapers. Of these views, the ones on the reform of the political structure and on building a socialist spiritual civilization have been the most comprehensive. These views inevitably have a bearing on the issue of the reform of journalism.

In order to reform the political structure, it is necessary to act in a democratic spirit and to give free rein to public opinion. the newspapers and radios must not remain "the party's mouthpiece" without making any changes. The citizenry should be allowed to openly criticize the government and the newspapers and radios should be allowed to report on or expose cases of violations of law and discipline and abuse of power involving state employees. Government officials cannot meddle with the business of the mass media under any pretexts.

Recently it has been reported that the CPC is going to hold the 6th Plenary Session of its 12th CPC Central Committee in late September. It is generally believed that mainland journalism will become more liberal after the plenary session.

Not long ago, commenting on a letter written by a reader to criticize by name the topmost local leader, which was published in SHEKOU TONGXUN BAO, Hu Weiwei, a well-known CPC journalist, described the letter as embodying democracy and being unprecedented in Chinese journalism. Later, the report [as published] won a special Class Journalism Prize in 1985. It is reported that with Hu Weiwei in charge, the drafting of the country's journalism law is being speeded up. The reform of mainland journalism seems quite inevitable. However, the pernicious influences of traditional despotic ideas and of the principle of "expressing identical opinions" are still a serious problem. One should not be surprised to find many obstacles to the reform of the country's journalism.

LITERATURE WITH REVOLUTIONARY WAR THEMES VIEWED

HK121507 Beijing GUANGMING RIBAO in Chinese 5 Sep 86 p 2

[Report by Pan Renshan: "Cultural Department of the PLA General Political Department and the Chinese Writers' Association Jointly Hold a 'Forum on Literary Creation With the Theme of Revolutionary War'"]

[Text] The PLA General Political Department and Chinese Writers' Association Military Literature Commission jointly held a "forum on literary creation with the theme of revolutionary war" in Beijing from 25 to 30 August. The forum expects a new breakthrough in literature with the theme of revolutionary war.

In their speeches, more than 50 old, middle-aged, and young writers and critics in and outside the army pointed out: At present, China's literary creation with the theme of revolutionary war has made considerably great achievements. However, compared to the long-term magnificent revolutionary wars, such works seem to be lacking in depth and breadth and variation. Great efforts should be exerted to rectify this problem as soon as possible. The participants believe that in order to create good works with military themes, it is necessary to work hard in the following areas:

First, it is necessary to seriously study Marxist concepts on war and outlook on life, and to show respect for historical materialism. In describing the sacred war of resistance against Japan, which involved the life or death of the Chinese nation, as well as the war of liberation, which aimed to overthrow the reactionary rule, we should not describe them with the complicated mentality and pessimistic mood of some people today and arbitrarily make up revolutionary history to meet the needs of "new trends," as this will violate historical materialism. With the advance of the times and the continuous emergence of new things, the concepts of military affairs and literature should also be renovated and developed. However, we should refrain from presenting outmoded old concepts as new.

Second, literature with a military theme is a component part of the history of revolutionary wars. It needs to be rich and colorful. However, the theme of revolutionary heroism must be maintained. The glory brought forth in the battles of revolutionary heroes should be described, but no haloes are needed for heroes by the exaggerated illustration of loftiness and perfection in their personalities. The glorious feats of heroic characters should be depicted from various angles, as well as their peculiar life experience, growth, individuality, inner world, and human relations (including their love life, so that they may become true to life images).

RENMIN RIBAO ON MAO ZEDONG'S READING LIFE

HK100705 Beijing RENMIN RIBAO in Chinese 7 Sep 86 p 5

[Article by Pang Xianzhi: "A Revolutionary Who Read All kinds of Books -- What I Saw and Heard About Mao Zedong's Reading Life"]

[Excerpts] Mao Zedong was great revolutionary as well as a man of great learning. Mao Zedong read books assiduously throughout his life, which had a direct bearing on his revolutionary career.

Love Reading Ardently and Acquire Knowledge Extensively

Mao Zedong was diligent in his studies from childhood and he ardently loved reading. As he grew up, he had a burning thirst for knowledge. In order to increase knowledge, broaden his field of vision, and seek the truth for saving the nation and people, he was often absorbed in reading all kinds of books, including ancient and modern, foreign and Chinese. Even under the adverse circumstances of the revolutionary wars later, he never forgot reading. While in northern Shaanxi, Mao Zedong tried by every possible means to purchase books from the areas under Kuomintang rule. When Mao arrived in Yanan, the number of his books gradually increased and there was a special person assigned to take care of them. His books were first kept in some bungalows not far from his residence. Due to bombs dropped by Japanese airplanes, the books were moved to a safe place in a deep cave. When we withdrew from Yanan in 1947, we abandoned many things. But most of Mao's books, particularly those with his personal annotations and comments, except for a few of them buried on the spot, were moved to Beijing after passing through many places. [paragraph continues]

These books are the most valuable part of Mao Zedong's collection of books and the most valuable material for studying Mao Zedong Thought.

Following national liberation, Mao Zedong had better conditions to read books. When I was assigned to take care of his books in 1950, he had less than 10 shelves of books. After construction of a decade or so, that is, by the time I left the post in the summer of 1966, he had tens of thousands of books. He built up a personal library with a rich variety of books that suited his needs. Apart from the collected works of Marx, Engels, Lenin, Stalin, and Lu Xun, Mao Zedong's library included such famous books and series as the "Encyclopedia of the Yung-lo Period," "The Complete Library of the Four Treasures," "Encyclopedia Sinica," (only part of these books were collected), "Digests of the Four Treasures," "Synthesis of Books and Illustrations of Ancient and Modern Times," and a series of books translated from various languages. The collection of books, though a large one for an individual, could not meet Mao Zedong's needs. He often asked us to borrow books for him from other libraries. When it was time for Beijing Library to issue new library cards in the summer of 1958, we specially applied for one for Mao Zedong. Proceeding from their respect for Mao Zedong, the comrades of Beijing Library gave serial number 1 to his library card.

From social science to natural science, from the works of Marxism and Leninism to the works of Western bourgeoisie, from ancient to modern, and from Chinese to foreign, Mao Zedong's reading covered a wide range, including books and magazines of philosophy, economics, politics, military science, literature, history, geography, natural science, and technology. Take philosophy for example: He read the basic theories as well as the history of Chinese and foreign philosophical thought and philosophy concerning logic, aesthetics, and religion. I would like to explain a bit more about how Mao Zedong read religious works and articles. He paid great attention to the question of religion. He read the classical works including "The Diamond Sutra," "The Liu Zu Temple [Liu Zu Tan 0362 4371 1086] Sutra," and "The Avatamsaka Sutra," which represented the Buddhist sects in China. He also read other works and articles commenting on these sutras. He devoted special attention to the theory of the Chan sect, particularly to the thought of Eminent Tang Dynasty monk Hui Neng the Sixth. Mao Zedong asked us to borrow the "Liu Zu Temple Sutra" for him on several occasions. Sometimes he took the book with him when traveling. This book was compiled by the disciples of Hui Neng after his death. Mao Zedong read almost all the articles on Dhyana's philosophical thought published in the periodicals. He also read the "Bible." Mao Zedong regarded the reading of religious classics as a philosophical matter as well as mass work. He said: I agree with some communists in studying the classical works of Buddhism, Islam, and Protestantism, because it is a question related to the masses. There are many people who profess religion, so how can we do mass work if we do not understand religion at all? On 30 December 1963, Mao Zedong made the following written instruction on a document: "We are ignorant of the world's three major religious sects (Protestantism, Islam, and Buddhism), which exert a great influence on the vast population. We do not have a single research institute led by Marxists in our country engaged in such studies and we do not have any periodical that is worth reading." "There are very few articles written from the viewpoint of historical materialism. The articles issued by Ren Jiyu on Buddhism are already rare, to say nothing of the articles on Protestantism and Islam. Unless we criticize theology, it will be impossible to write the history of philosophy, literature, and the world." Take scientific and technological books for example: Mao Zedong cursorily read books concerning natural science, history of natural science, and technology, and he had a keen interest in biology, astronomy, physics, and pedology. One day in mid April 1951, Mao Zedong invited Zhou Shizhao and Jiang Zhuru to Zhongnagai. Mao told them: I really wish that I could have a 2- or 3-year leave to study natural science. It's a pity that I cannot have such a long vacation. [passage omitted]

Although Mao Zedong's health and eyesight failed as he became old, he never gave up reading and still had a thirst for knowledge. When he recovered from illness in 1973, he discussed the question of philosophy in physics with Yang Zhenning. When his eyesight recovered somewhat in 1975, he reread "The 24 Books of History" and some essays of Lu Xun. He also read periodicals including *ARCHAEOLOGICA SINICA*, *HISTORICAL RESEARCH*, and *DIALECTICS OF NATURE* and asked for copies of *FOSSI* and *ACTA ZOOLOGICA SINICA* in large-type edition. In 1976, he asked for the book "History of China's Science and Technology" (Volumes 1 to 3), written by a Briton named (Joseph Lee). According to Xu Zhongyuan, who took care of Mao Zedong's library at that time, the last book Mao wanted was "Random Notes Made in Rongzhai" (throughout Mao Zedong's reading life, he liked reading this valuable literary sketch the best). The date was 26 August 1976.

In a speech made in Yanan 47 years ago, Mao Zedong said: Even the elderly should learn. If I die in 10 years, I would have 9 years and 359 days to learn. With his own practice, Mao Zedong kept his word made 47 years ago. This great revolutionary and man of learning never ended his uninterrupted reading life until his heart stopped beating.

OFFICIAL DISCUSSES REFORM OF POLICY RESEARCH OFFICES

HK170711 Beijing WENZHAI BAO in Chinese No 345, 7 Sep 86 p 1

[Article by Zheng Yuanjun in Issue No 8 of "LINGDAO KEXUE" (SCIENCE OF LEADERSHIP): "Zheng Lixin Discusses Reform Orientation of Policy Research Offices"]

[Text] In recent years, policy research offices have increasingly "found people's favor" and have been rapidly developing. They offer consulting services to decision-making bodies at all levels, directly participate in and make positive contributions to the formulation of policies and plans. However, many policy research offices, which are in fact something like brain trusts, are now acting as power organs or as secretariats and document drafting groups. This prevents them from performing their normal functions.

What is the development orientation for policy research offices at all levels? How should they promote reform as a product of reform? Comrade Zheng Xinli of the CPC Central Secretariat said that their functions should be defined as the following points:

-- They should be information collection and processing centers which help the leading party and government departments formulate, execute, review, and revise policies.

-- They should be the policy research centers and consulting centers of the party and government leading departments. They should provide a number of plans for leaders to select them making policy decisions. They should be relatively independent research institutes which consider things on their own and serve the modernization cause rather than catering to the individual leaders' likes and intentions.

-- They should be bridges between party and government leading bodies on the one side and research institutes, colleges, and mass organizations on the other side. They should be able to absorb the useful research achievements of experts and scholars in society and include them in the party's policies.

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CHINA
PRC NATIONAL AFFAIRS

YAN JIAQI URGES CHANGING NAME 'PEOPLE'S CONGRESS'

HK120401 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1445 GMT 11 Sep 87

[Report: "Yan Jiaqi Proposes That 'People's Congress' Be Changed To 'People's Assembly' in the 1990s"]

[Text] Guangzhou, 11 Sep (ZHONGGUO TONGXUN SHE) -- While talking about political structural reform here, noted Chinese expert in political science Yan Jiaqi said: I propose that "People's Congress" be changed to "People's Assembly" and that "People's Deputies" be changed to "assembly members" in the 1990's.

Yan Jiaqi is a director of the Political Research Institute under the Chinese Academy of Social Sciences. He is now attending a large symposium on the strategy for cultural development held in Guangzhou. He said: We should particularly consider the problem of democracy in political structural reform with emphasis on relations between the people and government. He added: Of course, in China today, there is another problem of relations between the party and the government.

Yan Jiaqi stressed: To have a high degree of democratic politics, we should perfect the People's Congress system, so that the People's Congress will truly become an "organ of the state power" in reality as well as in name. The People's Congress system should be characterized by the "participation of citizens," and exercising of power by the people. After the People's Congress is changed into the "People Assembly," it should exercise legislative power and the power of supervising the government.

He said again: Now we should do well in making theoretical preparation for political structural reform. If we lack theoretical preparation, it is difficult to establish a high degree of democracy.

Yan Jiaqi maintained: In traditional Chinese political culture, "ethicizing politics" is the most undesirable thing. Over the past several thousand years, people always tried to ask persons of noble character and high prestige to take up government posts without changing the political structure characterized by overconcentration of power. They pinned their hopes on "honest and upright officials" and "enlightened rulers." During the "Great Cultural Revolution," the hope was placed in "successors."

He stressed: Negating such traditional political culture does not mean that normal character and self-cultivation of leaders can be negated. The most important thing is that we should establish a high degree of the democratic system to ensure that "bad people are unable to run amuck."

SYMPOSIUM REEVALUATES PHILOSOPHY OF PRAGMATISM

OW131253 Beijing XINHUA in English 1051 GMT 13 Sep 86

[Text] Guiyang, September 13 (XINHUA) -- A Chinese philosopher has expressed doubt about certain criticism of the philosophy of pragmatism in the 1950s, XINHUA learned today. In some ways, such criticisms were one-sided, said Fudan University philosophy professor Liu Fangtong.

The criticism was launched against Hu Shi (1891-1962), a chief exponent of the idea in China, who once served as Chinese ambassador to the United States under the rule of the Kuomintang before 1949. During his study in the United States between 1910 and 1917, Hu was a student of William James (1842-1952), a leading pragmatist in America.

Returning to China, Hu began to advocate pragmatism, which was also spread by John Dewey (1859-1952), another American pioneer of pragmatism, during his stay in China between 1919 and 1921.

In the 1950s, pragmatism was criticized as a direct result of the transition of the United States from capitalism into imperialism. "This is not true," Liu said.

When Charles Sanders Pierce (1839-1914), also a chemical engineer, mathematician and inventor, created the theory in the 1870s, he said, he intended to use it as a method of scientific research.

It was only after the United States entered the stage of imperialism toward the end of the 19th century did James and Dewey try to use some aspects of the philosophy to serve the needs of their country's imperialist policies, he told XINHUA.

At a recent symposium on modern foreign philosophies held in Guiyang, capital of Guizhou Province, Professor Xu Chongwen from the Institute of Philosophy of the China Academy of Social Sciences, said that Western philosophies could be useful references for Marxist philosophy. This is because they highlight major problems and changes in natural science, social conditions and people's thinking, he said. As matter of fact, he said, Marxism has developed by absorbing whatever is progressive in the culture of the human race.

Chinese scholars are also re-evaluating other foreign philosophers, such as Friedrich Nietzsche and Sartre, XINHUA learned from the symposium, the fourth held by the Chinese Society of Modern Foreign Philosophies since its founding in 1979.

The society has also published ten collections of foreign philosophical essays and philosophical works in 30 titles, including works in existentialism, pragmatism and eurocommunism, as well as philosophies of the Soviet Union and Eastern European countries.

SONG PING ADDRESSES NATIONAL LAND PLANNING FORUM

OW161140 Beijing Domestic Service in Mandarin 1200 GMT 14 Sep 86

[Text] A national forum opened in Beijing today to discuss the program for comprehensive land planning. The forum was held by the State Planning Commission.

Speaking at the forum, Song Ping, state councillor and minister in charge of the State Planning Commission, pointed out: Developing a plan for land development and management is vital to China's prosperity and the welfare of our future generations.

Song Ping continued: Pursuant to the instructions of the CPC Central Committee and the State Council, the State Planning Commission has organized different types of land surveys in recent years. In addition, it has selected 33 areas with different characteristics to conduct experimental land planning. Last year, the commission began to draw up a national program for comprehensive land planning.

The draft program contains our proposals on the goals and tasks of land planning and management; the general structure of our productive forces; the urbanization of our population; the setup of our cities; the use and management of our land; the harnessing of large rivers; and the use, development, and protection of water resources, forests, and oceans; as well as other matters of concern to the Chinese people, such as environmental protection and the primary regions for development.

Song Ping pointed out: Land development, management, and planning are new things in China. Our current task is to carry out the research of major issues on land development and management and to study the feasibility of our plans. We should strengthen legislative work on land, draw up economic policies on land development and management, and use economic levers to promote the use of land according to plans.

State Councillors Gu Mu and Song Jian attended the forum. Lu Kebai, advisor to the State Planning Commission and director of the National Land Planning Office, explained the draft national program for comprehensive land planning.

Explains Land Development

OW161106 Beijing XINHUA Domestic Service in Chinese 1310 GMT 14 Sep 86

[By reporters Zhu Weixin and Ge Daxing]

[Text] Beijing, 14 Sep (XINHUA) -- China is strengthening its efforts to make an outline of the national program for land development in the country as a blueprint for strengthening land development and control and making overall arrangements for national construction. Song Ping, state councillor and minister in charge of the State Planning Commission, delivered a speech in this connection today. He emphatically pointed out: All the people in the country must cherish the enormous resources and make the best use of the land as well as the resources.

Five years ago, the CPC Central Committee and the State Council made a decision on land development, calling for efforts to make the best use of land in the country. They pointed out: It is necessary to strengthen land development and land control in a comprehensive way, develop the various regions, carry out environmental improvement, and place the main rivers under control. We must strengthen our legislative work and work out the program.

Later, China set up a special organ for land development and did a great deal of work in this connection. With the support of the State Planning Commission, an outline of the national program for land development and control is being drafted recently.

In his speech delivered at today's discussion meeting on the outline of the national program for land development, Song Ping pointed out: For the past 30-odd years since the founding of New China, rapid developments have been made in land development and control in the country. However, due to the lack of a long-range plan as a guidance in economic development, some of the work in land development has been carried out blindly to a certain extent. Some of the practices run counter to natural and economic laws. At present, China's land resources and ecological balance has been seriously undermined. To work out a program for land development, the aim is to harmonize relations between economic development on the one hand and population, resources and environment on the other. This is the objective requirement for promoting China's economic and social developments in the new historical period.

He emphatically pointed out: Although China has a vast territory and rich resources, the level of its per-capita resources is generally lower than the world average. In addition, some of the resources can be regenerated, while others cannot. For this reason, we must help people in the whole country deepen their understanding on land development and control, cherish the resources, protect natural environment and maintain ecological balance as a common practice. Land development and control affect the immediate and long-term interests of all the people in the country. We will attain the expected results, only when all the people in the country join their efforts to do a good job in strengthening land development.

Some people working for the State Planning Commission pointed out: In working out the plan for land development in China, we must persistently carry out reform and create the new; break down the barriers between departments and regions in the development of the economy; act according to natural and economic laws; and formulate tasks and targets for land development on the basis of our national conditions and strengths. In working out this plan, we must adhere to the principle of linking land development with land control. For example, when we build the base area for energy resources with Shanxi as the center, we must emphasize the prevention of soil erosion on the local loess plateau. In addition, we must also stress the need to effect a rational distribution of the productive forces in order to meet the requirements in establishing a system of commodity economy and developing lateral economic ties and achieve the final goal of making the best use of the resources in different regions in the country.

Attending the discussion meeting were Gu Mu, Song Jian, responsible persons of the relevant ministries and commissions under the State Council and the leading comrade, of various regions as well as well-known economists and scholars such as Ma Hong, Yu Guangyuan and Tong Dalin.

HU QILI INSPECTS SOUTHERN HUBEI 9-14 SEP

HK151502 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 14 Sep 86

[Text] From 9 to 14 September Comrade Hu Qili, Political Bureau member and secretary of the Secretariat of the CPC Central Committee, made an inspection tour of Hubei and inspected mountain areas in southern Hubei in spite of rain. He pointed out that it is necessary to persevere in reforms, and to further expand economic ties between urban and rural areas. To get rid of poverty and become rich, mountain areas must develop commodity production, give full play to their own strong points, pay attention to developing grass and forestry and to turning natural advantages into real economic advantages, and guide peasants in mountain areas to broaden their vision.

Xianning Prefecture is located in the Mufu Ranges of southern Hubei where 70 percent of the area is mountains, 10 percent rivers and 20 percent land. This is an important base in the province for agricultural, sideline, and native products.

On 10 September, accompanied by provincial party committee Secretary Guan Guanfu and provincial party committee Deputy Secretary Gian Yunlu, Comrade Hu Qili, in spite of the drizzle, drove to inspect tree farms, primeval subforests, bamboo forests, economic combinations and some peasant households in Tongshan, Chongyang, Xianning and Puqi. Throughout the journey, undulating hills and peaks rose one higher than another. The car and the people were moving in mist and rain. Artificial and natural forests were green and luxuriant, with a vast stretch of golden rice paddy among the mountains. Peasants were busy harvesting crops.

In the rain, Comrade Hu Qili, pointing to the vast mountain forests, told the responsible comrades of the provincial party committee: There are many mountains in Hubei, and the mountains here are especially characteristic. There are banks at the top of the mountains and granaries at the foot of the mountains. They have great potential. It is necessary to vigorously develop grass and forests and do our best to turn abundant natural resources in the mountains into commodities and turn potential into reality.

Comrade Hu Qili pointed out that to fully exploit the potential, the key lies in establishing the idea of commodity economy. This area is quite near Wuhan City. People living here can reach Wuhan in 1 to 3 hours by car, so it is inappropriate to block news. It is necessary to develop lateral economic ties. Rural areas must serve urban areas, provide more commodities to urban areas, and enliven the economy. Wuhan City also has a problem of how to play its role as the central city, to expand its influence, and to bring along nearby counties, particularly mountain areas. This is an unshirkable duty of a large city.

On the morning of 13 September, Comrade Hu Qili drove to the (Guihua) tree farm, Chongyong County. When he saw dozens of square kilometers of artificial forests and southern bamboo all over the mountains and plains which covered up the sky and the sun, he was very happy, praising the forestry work here. He also enquired in detail about the diversified economic development of the forest farms. He said: Forestry production takes a long time and yields slow results. It is necessary to pay attention to combining the strong and weak points and to avoid weak points while giving full play to strong points. We must develop forestry production in an all-round way. We must raise cows, sheep, and rabbits, and develop various economic crops, so that they can obtain practical benefits from growing grass and planting trees. Otherwise, they will continue to suffer poverty despite the rich mountains. State-run tree farms have better technology, information and management experience than the peasants. Can you make some experiments in developing diversified economy and making comprehensive use of forests so as to guide nearby peasants in exploiting mountains and enriching themselves?

(Xinxing) Village in (Huawen) Township, Xianning City, has become rich by planting and processing bamboo. There are some 5,000 mu of bamboo in the village. The village earned 400,000 yuan last year by selling and processing bamboo products. The per capita income of the village last year was 700 yuan, of which 70 percent came from bamboo products.

Comrade Hu Qili fully affirmed the experience gained and the methods used by the villagers in properly running mountains and bamboo forests. He also pointed out that people in mountain areas cannot merely rely on selling raw materials, but must develop processing industry and turn the raw materials into commodities. Mountain areas have a strong point in raw materials and natural resources, but are inefficient in turning the raw materials and natural resources into commodities. They must turn their strong points in raw materials and natural resources into strong points in commodity.

During the journey, seeing that some peasants were burning rice straw and cogon grass, Comrade Hu Qili expressed regret, saying that we must try to turn rice straw and cogon grass into meat, poultry, eggs, and milk and must grasp the transformation. Of course there is a technological problem, but what is more important is the problem of information and vision. Party committees and governments at all levels must provide good pre-production and post-production services to peasants, provide them with information, train qualified personnel, and guide peasants to broaden their vision. They must be good at employing talented people from mountain areas.

They can also dispatch some talented people to mountain areas, and help peasants in mountain areas to develop production by providing technology, talented people, and information so that the peasants can get rid of poverty and become rich.

During his 1,000-li inspection in mountain areas of southern Hubei, Comrade Hu Qili saw that many intellectuals and cadres have been fighting all the year round in remote and thickly forested mountain areas, and have made contributions to building the mountain areas. He highly praised them, saying that these comrades have dedicated their youth to the motherland to make the mountains and rivers beautiful. He said that they have written their treatises on the mountains, rivers, and land of the motherland. These comrades must also be respected and commended by the party and the people. He suggested that leaders of the tree farms and local authorities record merits for these comrades and record the fighting deeds of these pioneers so that posterity will know that the Chinese nation has high aspirations and can transform the motherland.

When inspecting Tongshan County, Comrade Hu Qili also met with Comrade Yao Xueyin, a veteran writer who was doing some writing there.

During his stay in Hubei, Comrade Hu Qili also listened to work reports by the provincial party committee and the Wuhan City party committee on reform of the economic structure and the reform of the cadres system; and inspected the (Hanzhen) street small commodity market and the (Xinhe) village trade fair market in Wuhan. He was satisfied with Hubei's work. He said: By the end of this year, the total industrial and agricultural output value of your province will be doubled. This is fast. Reform of the economic structure will inevitably raise demands on the reform of the political structure. The reform of the political structure is not a new issue. Comrade Xiaoping raised this issue in his past speeches. His article on the reform of the system of party and state leadership is our guiding principle in the reform of the political structure. You comrades must earnestly study it and grasp the essence of the article.

Hu Qili said that when we say the reform of the political structure, we mean the reform of the leadership system, not the change of the political system. Our political system is a socialist system, which was gained at the cost of the lives of tens of millions of outstanding sons and daughters of the Chinese nation. This political system is a historical choice made by the Chinese people. When we say reform of the political structure, it means self-improvement of the socialist system. The reform of the political structure involves many aspects. First, it involves streamlining administration, selecting and appointing able and virtuous persons, overcoming bureaucracy, and increasing efficiency. He was very much interested in a new aspect in the reform of the cadres and personnel system in Wuhan city, that is, cadres are ready to work at the top or at the grass roots. He stressed that we must have our own system of appointing, dismissing, assessing, selecting, promoting, and demoting cadres.

DENG XIAOPING WRITES NAME OF YOUTH INSTITUTE

SK140134 Beijing BEIJING RIBAO in Chinese 6 Sep 86 p 1

[Text] The Beijing Youth Political Institute was officially established yesterday. Comrade Deng Xiaoping wrote the name of the institution.

The Beijing Youth Political Institute is a full-day higher educational institute of liberal arts sponsored by the municipal CYL Committee.

On the basis of running municipal CYL schools, this institute was initiated and established in 1985. The main job of this institute is to train specialized CYL cadres, to concurrently train grass roots young party and government cadres and other young social workers, and to sponsor regular and short-term training courses for in-service specialized CYL cadres.

Jin Jian, deputy secretary of the municipal party committee, gave a speech at yesterday's ceremony to mark the opening of the new school term. He expressed the hope that the Beijing Youth Political Institute will become a new socialist institute with clear-cut political features, youth features, and features of the times; will inherit and promote the fine traditions and work style of the municipal CYL schools, and in line with the actual situations in the institute; will study and use for reference the strong points of the domestic party schools and other colleges and universities, and the work methods of some foreign schools that are beneficial to China's schools, and in the spirit of reform; and will be brave to practice, to explore, to blaze new trails, and to open up a new path of its own.

Liu Yandong, secretary of the Central CYL Committee Secretariat; Lu Qinyi, director of the Education Bureau of the Propaganda Department of the Central Party Committee; and Wang Jialiu, member of the Standing Committee of the municipal party committee, also attended the ceremony to mark the opening of the new school term.

FANG YI MEETS ADVISERS TO BIOTECHNOLOGY CENTER

OW161808 Beijing XINHUA in English 1504 GMT 16 Sep 86

[Text] Beijing, September 16 (XINHUA) -- Chinese State Councillor Fang Yi met and feted here this evening a group of Chinese and American advisors to the China National Center for Biotechnology Development. The advisors include Professor Ray Wu of Cornell University, and over twenty other American and Chinese experts on biotechnology. The experts are here attending the third meeting of the Advisory Committee for the National Center, which was set up in 1983.

SONG JIAN RECEIVES STUDENT REPRESENTATIVES

OW161317 Beijing Domestic Service in Mandarin 1100 GMT 15 Sep 86

[Text] The Beijing Institute of Modern Science and Technology organized a group of experts and scholars in Beijing to lecture in Rizhao City, Linyi Prefecture, Shandong, during the summer vacation. The group trained a number of scientific-technological and economic managerial personnel for the Yimeng mountain area. For their service, the group has received a commendation from the State Science and Technology Commission, the Chinese Academy of Sciences, and the China Association for Science and Technology. State Councillor and minister in charge of the State Science and Technology Commission Song Jian recently received representatives of the students who completed the summer training course.

ZHANG JINGFU ON TRAINING OF FACTORY LEADERS

OW151807 Beijing XINHUA in English 1557 GMT 15 Sep 86

[Text] Beijing, September 15 (XINHUA) -- While continuously examining and training state-owned factory managers and directors, attention will be paid to the educational levels of other factory leaders, State Councillor Zhang Jingfu said here today.

This will pave the way for the emergence of new directors, said Zhang at a meeting in his capacity of head of the Guidance Committee for State Examination for Economic Management Personnel. He said, "it is necessary to train and give state examinations to factory managers and directors, most of whom are technical professionals, and raise their ability in organization and management."

According to statistics, more than 104,000 factory managers and directors, including 57,000 from large and medium-sized enterprises, have been trained and examined by the state since 1984. This figure accounts for half of the country's total number of factory managers and directors. "State examinations and training for factory managers and directors will be continued," Zhang indicated. "With the accent on leading officials in large and medium-sized enterprises." While continuing to give examinations and training to factory managers and directors, the Guidance Committee for State Examination of Economic Management Personnel will arrange research and advanced courses for factory directors, chief accountants, chief engineers and communist party secretaries in the next five years, he said.

SONG PING ON CIECC INSPECTION OF MAJOR PROJECTS

OW151801 Beijing XINHUA in English 1530 GMT 15 Sep 86

[Text] Beijing, September 15 (XINHUA) -- Feasibility studies and designs for all major state projects must be evaluated by the China International Engineering Consulting Corporation (CIECC) and other qualified consulting organizations before they are listed in the State Plan, a Chinese official said here today. Song Ping, state councillor and minister in charge of the State Planning Commission, said that the method of "evaluation first and decision-making later" is a major positive step in the procedures of deciding on construction projects, and an important measure taken to improve the economic results from capital construction. It is also in line with the spirit of reform of the political structure and of making decisions democratically and in a scientific way, he added.

Song Ping said this at a meeting to establish a commission of experts under the CIECC. The commission will be a brain trust under the CIECC, composed of 108 experts and scholars in the fields of technology, economy management, law and others. The number will be increased in accordance with its needs. The CIECC, set up in 1982, now has 43 member companies and a number of cooperative units. It is the largest group of consultants in China.

CIECC President Shi Qirong said the corporation has undertaken the task of evaluating over 160 projects this year, including major ones like the Xiaolangdi water-control project on the Yellow River, a sewage treatment project in Shanghai, the Tianshengqiao Hydroelectric Power Station in the Guangxi Zhuang Autonomous Region, a Sino-U.S. joint-venture rolled copper plant and others on energy, communications, raw materials, processing, textiles and light industries. Some projects have changed their original engineering plans, some have made readjustments in construction plans and some have been postponed or cancelled after re-evaluation, he added. According to the statistics on five major projects, they saved more than 270 million yuan (rmb) of investment as a result of taking the CIECC's advice.

The CIECC has registered with the World Bank. It evaluates not only major domestic projects but also foreign ones. It has established contacts with more than 60 engineering consulting organizations, banks and corporations in Australia, Britain, the Federal Republic of Germany, France, Japan, the United States and Hong Kong.

ANHUI PARTY, GOVERNMENT ON REFORM GUIDELINES

OW180459 Hefei ANHUI RIBAO in Chinese 2 Sep 86 p 1

[Excerpts] To correctly handle the relationship between improving party style and eliminating unhealthy tendencies on the one hand and carrying on reforms to invigorate the economy on the other hand, the provincial party committee and the provincial government set forth the following main policy guidelines:

Departments and units at all levels must bear in mind the basic guiding principle of giving priority to reforms and earnestly implementing the general policy of opening to the outside world and invigorating the domestic economy; they should adopt a correct attitude toward problems encountered in the course of reform, overcome old ideas and old concepts that are impeding reform, and support, serve, and take part in reforms; they should continue the effort to improve party style and to eliminate unhealthy tendencies in order to create favorable conditions for reform and promote its healthy development.

Clear distinction should be made between errors committed in carrying out reforms and unhealthy practices. In case errors are committed in work by persons who have truly worked in the interest of the people and the state, due to the lack of proper reform measures and experience, their reform achievements should be properly affirmed. [passage omitted] Whoever tries to take advantage of reforms to seek personal gain must be called to account. [passage omitted]

State enterprises should be encouraged and supported to develop all types of collective enterprises, particularly the tertiary industry, in accordance with the principles of developing a diversified economy while concentrating on one main line of production. Appropriate financial and technical support should be given to collective enterprises run by state enterprises, but state enterprises are not permitted to transfer funds to their collective enterprises or sell them raw and semifinished materials, fuel, and other products at low prices. [passage omitted]

Economic contracts should be strictly adhered to. According to regulations, small state-run industrial and commercial enterprises "may be operated by individuals or collectives of staff members and workers through contracts, leasing, or compensation transfers." Once economic contracts are officially concluded according to state policy and statutes, they must be strictly implemented. There should be penalties for failure to honor contracts. The increased income of staff and workers of an enterprise obtained as a result of concluding economic contracts should be considered their legitimate income. [passage omitted]

In carrying out economic exchanges, enterprises are permitted to hold proper receptions to entertain guests, but are not permitted to take advantage of the opportunity to squander money by presenting gifts, cash, and expensive commodities to them. [passage omitted]

It is necessary to strengthen leadership over rural enterprises, other small collective enterprises, and specialized households. In addition to specific guidance, they should be given greater decision-making power. Interference with their normal production operations are not permitted. These enterprises and specialized households should not be made accountable for economic errors, both past and present, as long as they do not constitute a crime. [passage omitted]

Economic errors committed when there were no explicit regulations should not be measured with the current policy stipulations. Errors committed in the past should be dropped as long as those who committed the errors have raised their understanding, corrected the errors, and drawn lessons from them.

ANHUI LEADERS MOURN DEATH OF CPPCC VICE CHAIRMAN

OW180805 Hefei Anhui Provincial Service in Mandarin 1100 GMT 16 Sep 86

[Excerpts] Comrade Gui Peng, a loyal communist fighter, an outstanding CPC member, and former vice chairman of the Anhui Provincial CPPCC Committee, died at 1227 on 8 September 1986 in Hefei of an illness when he failed to respond to medical treatment. He was 82. Comrade Gui Peng's remains were cremated at the Hefei funeral parlor at 1600 on 15 September.

Attending the memorial service at the funeral parlor were leading comrades of provincial party and government organizations and friends, including Li Guixian, Wang Yuzhao, Shi Junjie, Lu Rongjing, Yang Yongliang, Liu Guangcai, Niu Xiaomei, Zhao Baoxing, Lan Ganting, Cheng Guanghua, Hou Yong, Wang Guangyu, Zheng Rui, Zhao Ming, Li Qingquan, Zhu Nong, Pan Ezhang, Zheng Jiaqi, Chen Tianren, Ma Leting, Ding Jize, Guang Renhong, Li Jixiang, and Meng Yiqi, as well as Li Shinong, Huang Yan, Liu Lianmin, Meng Jiaqin, (Liu Zhenxian), Hu Tan, Zhang Zuoyin, Peng Shengbiao, Zhao Kai, Li Guangtao, Wang Zhaochuan, and (Wei Ran). [Passage omitted]

Condolence messages were received from friends of the late Comrade Gui Peng, from Fang Yi, Zhang Jingfu, Zhang Aiping, Lu Zhengcao, Liu Ningyi, Guo Chunsheng, (Liu Shengyuan), (Ye Renguo), Li Baohua, Liu Jianzhang, Chen Guodong, Xia Zhengnong, Liu Zhiping, Ren Zhibin, Hui Yuyu, Su Yiran, Zhang Ce, Zhu Yunqian, (Zhao Zimin), Liao Chengmei, Li Shiyan, Zhang Canming, Li Futing, Yan Youmin, (Yang Sijiu), Huang Rong, Lai Shaoqi, Zuo Hongtao, (Li Gaichen), Deng Liujin, Zhou Dongping, Sun Xiang, (Xu Xuehan), Xing Zitao, (Huang Tian), (Ni Shiyi), and (Hong Zhilu).

CHEN GUANGYI ON RURAL PARTY RECTIFICATION

OW180555 Fuzhou FUJIAN RIBAO in Chinese 6 Sep 86 p 1

[Excerpts] The Fujian Provincial CPC Committee held a telephone conference on rural party rectification on the evening of 5 September. The central theme was to strengthen leadership over party rectification at the village level, ensure its high standards, and carry out party rectification tasks in an all-round way.

On behalf of the provincial party committee, Jia Qinglin, deputy secretary of the provincial party committee group guiding party rectification, set specific requirements to strengthen leadership over village party rectification. Chen Guangyi, secretary of the provincial party committee, addressed the conference. Zhang Yu, member of the Standing Committee of the provincial party committee and deputy head of the provincial party committee group guiding party rectification, presided over the conference.

In his speech, Comrade Chen Guangyi asked all localities to carry out village party rectification in a down-to-earth manner. [paragraph continues]

He pointed out that this is the best time to concentrate efforts on village party rectification because the busy farming season is over in most rural areas. He said emphatically: The leadership must attach great importance to party rectification at the village level. Successfully carrying out village party rectification and strengthening the building of grass-roots party organizations are important aspects of party building in the socialist period. County and town leadership should concentrate its energy on village party rectification, which should be placed on the agenda of county and town party committees. County party secretaries should personally attend to the work, and deputy secretaries or members of the standing committees in charge of village party rectification should devote all of their energies to the task. Other leaders should also assume responsibilities for the work in their assigned towns and villages. Personnel responsible for village party rectification should be increased. Comrades with a strong sense of responsibility and greater understanding of policies should be assigned to party rectification offices at various levels. The number of liaison and inspection personnel should be increased as soon as possible to meet the needs. Veteran comrades in good health who have stepped down to the second line could be recruited to tour the villages to provide guidance.

Chen Guangyi continued: The leadership must make serious efforts. The scope of village party rectification is broad, and the task is heavy. It concerns policy issues and involves complicated matters. In addition, the period assigned for village party rectification is short. Unless we make serious and concrete efforts, we might miss the opportunity and turn it into a formality. Therefore, we must first give specific guidance instead of issuing vague, general directions. Towns and villages should be grouped according to their conditions in order to adopt appropriate measures. Second, we must use typical cases to analyze the problems and use the experience of selected units to promote work in the entire area. Special attention should be paid to weak links and backward areas. Party branch work is often weak in poor areas. It is therefore necessary to combine party rectification with the work of making poor areas prosperous. It is necessary to make the building of a strong party branch the most important task in village party rectification. Cadres with party membership in the support-the-poor teams should help carry out the party rectification task. Third, we must pay attention to overall planning and use party rectification to promote work in other areas. [passage omitted]

Chen Guangyi emphatically pointed out: We must resolve problems in a down-to-earth manner. The Putian conference has clearly pointed out the problems that need to be resolved in the process of village party rectification. Specifically, we must make use of the "six advantages" and resolve the "four problems." We must take into account the realities of individual towns and villages in deciding the specific problems they need to resolve. We must make determined, serious efforts to resolve the major issues that affect or obstruct local opening and reform, affect the development of rural commodity economy, disrupt unity of the leading bodies, and undermine the building of material and spiritual civilizations in the countryside. We must resolve those things to which the masses object strongly, such as serious violations of law and discipline and abuse of power for personal gains among the cadres. Only when these major issues are satisfactorily resolved can we be sure that party rectification is not turned into a formality.

FUJIAN SECRETARY INSPECTS COASTAL AREAS

OW180824 Beijing XINHUA Domestic Service in Chinese 0046 GMT 15 Sep 86

[By XINHUA reporter Xu Yiming and Central People's Broadcasting Station reporter Shi Min]

[Excerpts] Fuzhou, 15 Sep (XINHUA) -- The Fujian Provincial CPC Committee and provincial government recently organized a large fact-finding team to be sent to the coastal areas to conduct investigation and study, expose contradictions, find out where they lag behind, and adopt remedial measures to correct problems so as to promote the process of opening to the outside world and making reform.

To speed up the process of opening to the outside world and making reform, since early July a 700-man fact-finding team organized by the Fujian Provincial CPC Committee and provincial government headed by Chen Guangyi, secretary of the provincial party committee, has gone in separate groups to Fuzhou, Xiamen, Putian, and the Southern Fujian Delta Zone to conduct investigation and study. It has solved practical problems and difficulties which cropped up in the process of opening to the outside world and making reforms that were badly in need of solution. It did so by promoting a common understanding to make progress in work, summing up experience to explore future possibilities, conducting investigation and study while handling cases on the spot, and engaging leading departments and grass-roots units in solving problems. [passage omitted]

Fujian's coastal areas have a fairly well-developed foreign trade. However, in recent years, due to lack of coordination in policies and measures for encouraging exports to earn foreign exchange, the annual growth rate of the export volume has been declining. The fact-finding team and the provincial economic and trade commission have carefully listened to the opinions of grass-roots units and made the following decisions after consultation and study: In foreign trade and export, fewer commodities shall be handled by the provincial authorities in a unified manner, while prefectures and cities shall be allowed to deal selectively in a dozen or so foreign exchange-earning products. In procuring export products, the procedures for approving licenses and handling related matters shall be simplified, the "bureaucratic-business" work style changed, and work efficiency increased. Assistance shall be rendered to establish economically beneficial bases for producing foreign exchange-earning agricultural and industrial products in the Southern Fujian Delta Zone. [passage omitted]

A few days ago, after 2 months of investigation and study, the provincial party committee and provincial government held a discussion meeting in Xiamen on specific opinions and measures dealing with common problems uncovered on the fact-finding trips. At the meeting, Chen Guangyi, secretary of the provincial party committee, said: The open coastal areas should better understand the importance of opening to the outside world, making reform, and earning foreign exchange, and should be good at implementing the current special policies and measures, so as to transform Fujian's economy into an outward-looking, all-inclusive, and benefit-oriented economy as quickly as possible.

JIANGSU'S HAN PEIXIN ATTENDS FESTIVAL

OW190059 Nanjing Jiangsu Provincial Service in Mandarin 2300 GMT 17 Sep 86

[Excerpt] The Jiangsu Provincial CPPCC Committee and the United Front Work Department of the provincial party committee held a mid-autumn festival get-together of various circles to celebrate the traditional festival of the Chinese people on 17 September in the auditorium of the provincial government building. The participants included Jiang Weiqing, member of the Central Advisory Commission; responsible comrades of the Jiangsu provincial party committee, People's Congress, government, Advisory Commission, and Discipline Inspection Commission, Han Peixin, Shen Daren, Sun Han, Chen Huanyou, Chu Jiang, Wang Bingshi, Zhou Ze, and Xing Bai; and some old comrades who worked in Jiangsu before, such as Bao Houchang, Guan Wenwei, Zhou Yifeng, Zhong Guochu, Wei Youngyi, and Ouyang Huilin. [passage omitted]

SHANDONG'S LIANG BUTING SPEAKS AT ECONOMIC FORUM

SK190910 Jinan Shandong Provincial Service in Mandarin 2300 GMT 17 Sep 86

[Text] After a 6-day session, the provincial work forum on the rural economy concluded at the Nanjiao Guesthouse in Jinan City on 17 September. Attending the forum were leading comrades from the provincial party committee and the provincial people's government, including Liang Buting, Li Changan, Lu Maozeng, Jiang Chunyun, Liu Peng, Gao Changli, Ma Changgui, Ma Zhongchen, and Zhu Qimin; and responsible comrades from various cities, prefectures, and the provincial level departments concerned.

The central topic for discussion at the forum was the issue of how to further develop township and town-run enterprises, how to enliven commodity circulation, and how to accelerate the pace of developing the commodity economy in rural areas.

During the forum the participants from various cities, prefectures, and departments put forward many favorable opinions. At the plenary session on the afternoon of 17 September, Comrade Liang Buting delivered a speech.

In his speech he stated: Our province has witnessed a fundamental change in the rural situation over the short period of the last few years. The problem in which peasants are without enough to eat and to wear has been basically dealt with. The rural economy has begun to rid itself of the inflexible condition of the natural economy and to enter a brand new stage. At present, the township and town-run enterprises have become the main pillars of the rural economy. Along with the further, steady, and deep improvement of the drive to conduct reforms, they will certainly become an important component of the national economy as a whole. Therefore, various industries and trades should smash their outdated fetters in the fields of guideline, task, policy, and system, gain new experiences, find new roads, and place their work of supporting the development of township and town-run enterprises on their work plans, service targets, and the schedule of their leadership. Efforts should be made to regard the work as an emphasis of strategies.

In his speech Comrade Liang Buting pointed out: Township and town-run enterprises have their own characteristics. Therefore, they must pave their own ways for development. By no means should they follow the practices of the state enterprises that depend on the state in doing everything.

In line with this principle, participants at the forum have discussed and revised the provisions on further developing township and town-run enterprises. They have also formulated some policies on relaxing the restrictions and enlivening commodity circulation within the capability of the province's latent power and financial sources. Localities and departments throughout the province should earnestly implement these policies and adequately deal with their problems ropping up in implementing these policies.

In his speech Comrade Liang Buting also pointed out: We have lagged far behind in truly enlivening commodity circulation and relaxing restrictions. Meanwhile, we have witnessed a phenomenon in which management in this regard has not been carried out realistically and successfully. The clog of commodity circulation still constitutes a main contradiction. The fundamental key to making a success of enlivening commodity circulation lies in establishing the lateral channels of economic associations, curtailing the number of intermediate links, and making direct contacts between producers and sale firms. Efforts should be made to establish a stable system of regulating markets, which is in conformity with the commodity economy in rural areas. Both relaxing the restrictions on commodity circulation and conducting management over commodity circulation should be carried out along with the drive to conduct reforms. Therefore, it is imperative for us to display a bold spirit in relaxing the restrictions on circulation and also to organize or guide the work of regulating markets in an effort to reduce our blindness in this regard as much as possible. The departments of commerce and supply and marketing should also accelerate their pace in conducting reforms in order to suit their work to the new situation in developing commerce. Communications and transportation are important means in successfully enlivening the commodity circulation. To make a success in this regard, it is imperative to do a good job in grasping communications and transportation.

In his speech Comrade Liang Buting emphatically pointed out: In developing township and town-run enterprises, enlivening commodity circulation, and engaging in each undertaking, we can do nothing without the support of agriculture. The basic position of agriculture in the national economy as a whole is unshakable. Therefore, it is necessary for us to attach importance to industries and to enhance production in agriculture, as well as to make all-out efforts to reinforce agriculture, the foundation of the national economy. Only by doing a good job in making overall arrangements for various work and fostering a relaxed and hamonious social circumstance can be accelerate our pace in rapidly developing the commodity economy in rural areas.

The two documents discussed and revised by the participants at the forum with regard to accelerating the pace of developing township and town-run enterprises and envivening commodity circulation in rural areas will be put into effect by the provincial people's government, which will publish them after the forum.

WANG FANG AT ZHEJIANG POLICE ACADEMY OPENING

OW181405 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 17 Sep 86

[Text] The Zhejiang No 2 People's Police Academy, a secondary specialized school for training specialized state security personnel, held a ceremony marking its founding and opening in Hangzhou this morning. Wang Fang, secretary of the Zhejiang Provincial CPC Committee, attended and addressed the ceremony. Responsible persons of the Ministry of State Security attended the ceremony. Zhong Boxi, Hangzhou Mayor, and responsible persons of the Zhejiang Provincial State Security Departments of Fujian, Liaoning, and other provinces and municipalities also attended the ceremony.

HEILONGJIANG SECRETARY AWARDS FLOOD COMBATANTS

SK190219 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 18 Sep 86

[Excerpts] On 18 September, the provincial party committee and the provincial government held a meeting in the Beifang building to commend and award 52 model collectives and 3 million model individuals who emerged from the 1986 flood-combating and rescue work.

Giving medals and awards to the model collectives and model individuals were leading comrades of the provincial party committee, the provincial People's Congress, the provincial government, the provincial Military District, and the PLA units stationed in the province, including Sun Weiben, Hou Jie, Li Jianbai, Zhou Wenhua, Zhang Xiangling, Wang Yusheng, Wang Lianzheng, Li He, Wang Fei, Shao Zhao, Dong Yisheng, and (Zhang Jishen). Governor Hou Jie delivered a speech at the meeting. [passage omitted]

Leading comrades of the units, including a certain army group stationed in the province, the Dalian City people's government, and the Harbin City people's government, also delivered speeches at the meeting. Representatives from the units, including the Ministry of Water Resources and Electric Power and the [words indistinct] commission, attended the meeting.

HEILONGJIANG BEGINS RECRUITING NEW SOLDIERS

SK160603 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 15 Sep 86

[Text] Our province will begin to carry out the conscription work of 1986 on 10 October. Ensuring the quality of enlisted men is the central task of the conscription task this year.

According to the resolutions adopted at the provincial conscription work meeting concluded on 15 September, the number of enlisted men in 1986 will show an increase over that in 1985. Those who will be recruited this year will be rural youths who are the members of households which have excess labor forces and the graduates from junior middle schools or higher institutions. Those in urban areas who will be recruited this year will be the 1985 or 1986 graduates from senior middle schools, including the senior vocational school graduates. Enlisted women of 1986 will be only the 1986 graduates from senior middle schools. The province will also recruit some young workers among the industrial and mining enterprises, whose cultural standard is at the senior middle school level.

The provincial conscription work meeting urged various localities to vigorously publicize the military service law and to educate all young people old enough to join the army to consciously serve in the army in line with the law. Efforts should be made to enhance physical examination, to do a good job in enabling the military subdistricts to guarantee the quality of recruitment and ensuring political soundness, and to resolutely guard against the recruitment of all ill-behaved youths. Those who violate the policy and provisions on the conscription work and commit malpractices will be held responsible for their misdeeds and their higher authorities will also be investigated and affixed the responsibility for these misdeeds.

The province will begin recruiting new soldiers on 10 October this year and, effective 10 November, it will begin sending the newly enlisted men to the PLA units.

PRESIDENT CHIANG ADDRESSES KMT COMMITTEE

OW170345 Taipei CHINA POST in English 11 Sep 86 p 12

[Text] To thwart Chinese Communist schemes aimed at dealing a severe blow to and dividing the Republic of China, President Chiang Ching-kuo yesterday called on the nation to be unified, to strengthen itself and to walk its own path.

"The final victory will be ours," the president declared.

Chiang made the statement in his capacity as chairman of the Kuomintang [KMT] while addressing the Central Standing Committee of the KMT.

Lately, the Communists have been stepping up their united front tactics, the president said.

The united front tactics of the enemy are not so formidable, he said.

The main problem is losing sense of direction, the president added.

At present, the most important task, Chiang said, is to improve solidarity and stability in the country.

"Whosoever destroys internal solidarity shall in effect harm our country and ruin our future," he was quoted as saying.

Fence Mending

Shortly after the KMT Central Standing Committee meeting, President Chiang summoned Hsu Sheng-fa, the new deputy secretary-general of the Policy Coordination Committee of the Central Standing Committee, and questioned him on the aborted talks between the ruling party and nonpartisans.

In the next few days, Hsu is to call on independent academics who have moderated talks between the ruling party and the nonpartisans.

Hsu was one of two KMT representatives who participated in the talks with the nonpartisans earlier this year.

Meanwhile, the president reiterated that emphasis should be given to equal distribution of wealth.

"Equal distribution of wealth and equal access to education are the pillars of economic development," the president was quoted as saying.

The president directed the authorities to pay more attention to accomplishing equal distribution of wealth in the future.

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